



549 NW Lake Whitney Place Suite 204• Port St. Lucie, FL 34986  
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**Board of Directors Meeting  
Communities Connected for Kids  
January 28<sup>th</sup>, 2024**

**Agenda**

- |                                                                                                                                                       |                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 1. Call to Order                                                                                                                                      | Melanie Wiles    |
| 2. Board Chair Comments                                                                                                                               | Melanie Wiles    |
| 3. November Board Minutes Approval                                                                                                                    | Melanie Wiles    |
| 4. GEM Awards                                                                                                                                         | Christina Kaiser |
| 5. Child Welfare Overview                                                                                                                             | Carol Deloach    |
| 6. CCKids Board Annual Risk Report                                                                                                                    | Carol Deloach    |
| 7. Approval of Policy 136, 137, 146, 301, 314, 308, 319, 407, 503, 803, 809, 811, 901, 1228, 1234, 1246, 1301, 1302, 1303, 1304, 1305, 1306, and 1510 | Carol Deloach    |
| 8. CEO Board Report                                                                                                                                   | Carol Deloach    |
| 9. External Affairs/Advocacy                                                                                                                          | Christina Kaiser |
| 10. QA Committee Report                                                                                                                               | Rusty Kline      |
| 11. Finance Committee Report                                                                                                                          | Lauren Hahn      |
| • Approval of the November Financials                                                                                                                 |                  |
| • Approval of the December Financials                                                                                                                 |                  |
| • 2024 CCKids Audit Presentation                                                                                                                      |                  |
| 12. Board Comments                                                                                                                                    | Melanie Wiles    |
| 13. Public Comments                                                                                                                                   | Melanie Wiles    |
| 14. Adjournment                                                                                                                                       | Melanie Wiles    |



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### **2025 Schedule of Meetings**

*Meetings are scheduled for the fourth Tuesday of the month at 3 pm. The November and December meetings usually are combined to accommodate the holiday schedule.*

February 25<sup>th</sup>

March 25<sup>th</sup>

April 22<sup>nd</sup>

May 27<sup>th</sup>

June 24<sup>th</sup>

July 22<sup>nd</sup>

August 26<sup>th</sup>

September 23<sup>rd</sup>

October 28<sup>th</sup>

November 25<sup>th</sup>\*\*\*

December 23<sup>rd</sup> \*\*\*



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Board of Directors Annual Meeting  
Communities Connected for Kids Headquarters  
November 14<sup>th</sup>, 2024  
3 pm

### November 2024 Minutes

**1) Call to Order** – Ms. Wiles has called the meeting to order at 3:00p

**Board members include:** Melanie Wiles, Dr. Angie Bailey, Vanessa Farnes, Kristy Conway, Kathryn Hensley, Michelle Miller, and Mark Young.

**Absent Board members:** Steve Simon, Pat McCoy, and Leslie Kroeger.

**Internal staff Includes:** Nicky Smith, Elisabeth Eugene, Alisa Carter, Christina Kaiser, Josie Kirchner, Lauren Hahn, Denise Natalizio, Carol Deloach, Holly Ives, Susie Kulscar, Shannon Veilleux, Rusty Kline, Evan Hunsberger, Lesa Sims, Samantha Degan, Grace Sayre, and Caryn Toole.

**Guests includes:** Nancy Wall, Gloria Seidule, and Stephanie Castellanos.

**2) Board Chair Comments-** Ms. Wiles presents:

- Thank you for joining this oddly scheduled meeting.

**3) September Minutes-** Melanie Wiles reports:

***Ms. Miller made a motion to approve the September 2024 Minutes, and Ms. Farnes, seconded. The motion passed unanimously.***

**4) GEM Awards-** Ms. Deloach presents:

- Jose Velazquez won the Emerald Award. He joined us when another team member passed away unexpectedly. He jumped in and learned about the other role and his own role. He also helped train the new employee who came on as the replacement. The IT manager and the system information specialist nominated him.
- Heather Bailey won the Ruby Award. She is relatively new but she is a social worker at heart and cares so much. She went out of her way and helped clean a house for a mom to be able to get her kids back. She was completely invested in the family's success. We're happy to present that award to her.

**5) New Board Member-** Ms. Wiles presents:

- We spoke with Gloria last month. Simon had recommended her. We met with her last month

***All the Ayes have it, and no noes were mentioned. The motion carries. Gloria has been unanimously accepted onto the CCKids' Board of Directors.***



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#### **6) CEO Report-** Ms. Deloach presents

- A few months ago, we got an email from Steve Simon, who thought it best for him to step down from the Board. I didn't want him to leave, so I ignored the email at first. We later spoke, and he decided to leave. We will send him a plaque and letter to thank him for his years of service to CCKids.
- Kristy Conway presented at St Lucie Rise to a group of folks on foster care resiliency and social services. I just wanted to recognize her for doing so well in her presentation. Conway was honored to be there.
- DCF has issued our child placement license. We discussed the requirement that we get a fiduciary bond and a performance bond. DCF put the fiduciary bond on hold. The performance bond is going forward. Lauren is working with our broker to get the estimated cost. It is now required by statute. We think it will cost us between \$30K and \$50K.
- DCF reviewed the administrative organization's proposal, and we were asked to procure the contract. We put out a request for information. Only one organization presented a proposal that covered everything we needed, so we will continue with Devereux.
- We continue to work with the Department and KPMG about the accurate funding model. We had a very good discussion. The amount of time we spent with them convinced them to change some things. The final draft is due to DCF tomorrow. We are supposed to see it as well. DCF says they may need to give them an extension. We haven't seen any numbers or any final drafts. DCF has to send the legislature the finalized model by December 1<sup>st</sup>. There's a lot we don't know yet. We don't know what our position will be when we see it. Committee meetings will start. The longer it takes for it to come out, the narrower the window is to speak to our legislators. Delegation meetings are on December 12<sup>th</sup>, and we need to see if we need to speak.
- The BOD annual training was introduced in HB 7089. There were 15 major areas that needed to be covered, but we pushed back. There are 8 required topics that need to be covered. We have to show DCF what we have done. They will let us know if the Board continues to be the same, we may be able to do an attestation.
- We have decided to give staff a 2% cost-of-living increase. It will come out of green money and not impact the budget. The Fair Labor Act may have some impact on what is exempt and non-exempt and what the base salary should be. There is a proposed increase on Jan 1<sup>st</sup>. There needs to be a conversation to see if those positions need to stay non-exempt or move to exempt.
- We ended October with a positive budget. Year to date, we are in the negative. This is critical to the outcome of the KPMG funding model.
- ESEP is doing well. We are in a position to request a second year of funding. We need a sponsor in the House and Senate. There have been no changes to the delegation. I checked to see if any of our delegates moved into leadership positions. Senator Harrell will no longer lead the appropriations committee.
- On Saturday, our Thanksgiving co-parent luncheon, which Jill Poole and others are organizing, will bring together parents, bio-parents, and foster parents for a Thanksgiving meal. I will be there to serve, and so will others from the GAL program.

#### **7) External Affairs/Advocacy-** Ms. Kaiser presents

- Guardian for New Futures is sponsoring Christmas. We are able to sponsor every child who submits a request. The online submission has continued, and we have been really successful.



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- The gift drive is also open. We will be setting up a tree at the St. Lucie fairgrounds for the Festival of Lights next month. The parades will start next month. The 2025 campaign is going well. We did many trunk-or-treats this month. It was such a great experience. More than 5,000 people were in attendance. We had a lot of people stop by and ask about adoption. It was a great use of time.
- A community meeting with Care Portal was held, and many new churches were added. There has been a decrease in DCM submissions, but we have new churches so we can meet families' needs. There is a person who has a connection to getting beds.
- The luncheon this Saturday is going to be a success. So many Board members have sponsored the event.
- The next external affairs committee will be in January.

**8) QA Committee Report – Mr. Kline reports:**

- We had a statewide call today and looked into practice windows.
- Alisa facilitated the subcommittee meeting at 2p.
- We talked about incident reports for the month of October. The number of missing kids was down. But there will be an uptick in November as there have been groups of kids in three or four who have been running away together.
- We discussed performance measures and areas we are not meeting. We talked about how all the measures are and how 2 kids can throw the entire measure off. Seven to twenty-three to eight incidents happened in the last three months.
- The CFSR has done 5 reviews this month so far.
- Cheri discussed the ESEP program and how quickly the positions were filled. She also provided information on referrals. We are contracted to provide services for 50 families next month.

**9) Finance Report – Ms. Hahn reports:**

- The gift drive was set up so easily, and I encourage our team to use it as well.
- We got our year-end documents from DCF. We underspent in pass-through dollars, so we need to pay DCF about \$248K in payback.
- We also had underpayment in spending in our housing specialist position. We get to keep those funds.
- We are in full swing of the audit. We will need to have an audit committee meeting in December. Our auditors selected some members for some fraud inquiries. Those will be brief discussions.
- The risk pool will come out in the next couple of days. DCF will have its data team see the root of the problem. We will do our best to make the Board understand the deficit. We will let the Board know of the progress.
- The performance bond was posted, and we received one quote back for \$11K. It is less than we expected, so we are pleased with that.
- KPMG has not released the funding model. We had 2 independent organizations look into the funding, and both have said we are underfunded. The legislators need to see that, and hopefully, they will fully fund us. We



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haven't seen where the numbers fall. They said they saw we have unrealized costs. Those are being picked up by the DCF system. The big concern from CBCs was what the infrastructure would be.

- October was the first month we had an operating surplus in every program. Our expenses are high. We renegotiated our contracts, which started in October. October shows the reduction in various line items that will continue every month. We will eat away at the deficit.
- Our office expenses have gone up as we needed to fund our ESEP program. Because we had a delay in hiring, we were able to save some money on that contract.
- Our lead agency expenses are under budget. We made some changes in Eligibility and Finance. Rather than replacing Christine Winter as a director, we were able to split those responsibilities among the team.

***Ms. Miller made a motion to approve the September and October financials, and Ms. Farnes seconded. The motion passed unanimously.***

**10) Board Comments – N/A**

**11) Public Comments – N/A**

**12) Adjournment – The meeting was adjourned at 3:52p.**

# FLORIDA'S CHILD WELFARE SYSTEM: A ROADMAP TO PROTECTING OUR MOST VULNERABLE

**300,000**  
Florida Abuse  
Hotline Calls

Not Substantiated  
35.3% of cases  
(May or may not have case opened.)

**Investigation**  
**186,504 CASES**  
Department of Children  
and Families  
**137,872 CASES**  
Sherriff's Office  
**48,632 CASES**



**Verified**  
**17.9%**  
of cases

Services provided to support  
families not requiring protective  
supervision.



Community-Based Care Lead  
and Provider Agency  
Involvement

**Protective Supervision Case  
Opened:**  
If a case is transferred for ongoing  
oversight, the family will receive  
services (14,190 cases in 2014).



**Court Case Opened**  
(Not all service cases will have a  
court case opened.)



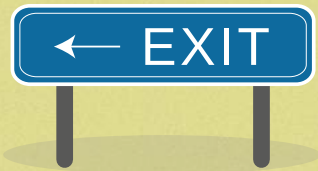
No Indicators  
46.8% of cases

**Family Reunification**  
48.3% of cases

**Adoption**  
21.7% of cases

**Relative/Permanent Guardianship**  
21.8% of cases

**Extended Foster Care**  
1,066 cases  
(in 2014)



**Exit to Permanency**

**Judicial Review**  
(every 6 months)  
**Continue Court  
Supervision**

**CBC Lead or Provider Agency Services**

**Placements:**  
Safe Harbor  
In-home  
Relative  
Foster Home  
Group Home  
Residential Treatment

**Case Management:**  
Preliminary  
Case Plan  
Monthly Visits  
Service  
Coordination  
Documentation

**Services:**  
Health  
Mental Health  
Education  
Training  
Substance Abuse  
Domestic Violence  
Supplementary  
Support Services

**Case Plan**

**Child Is Unsafe**  
Shelter Hearing  
↓  
Case Dismissed

**Child Is Safe**  
Arraignment  
↓  
(1 month)  
Disposition  
or Adjudication



\*All data is from 2014 and was acquired via the Florida Department of Children and Families.

**FLORIDA ABUSE HOTLINE CALL-** Florida’s Child Abuse Hotline professionals accept calls 24 hours a day, 365 days a year. Each year more than 300,000 calls are made to the hotline and 62% are accepted for investigation.

**SCREENED OUT-** If the situation does not meet the state’s definition of maltreatment, or too little information is supplied, the report is “screened out” and not accepted for investigation.

**VERIFIED-** This investigative finding is used when a preponderance of credible evidence exists that results in a determination that the specific harm or threat of harm was the result of abuse, abandonment or neglect. In high risk cases where abuse is verified, a referral to the Community Based Care (CBC) Lead Agency is made for services.

**NOT SUBSTANTIATED-** This investigative finding is used when there is credible evidence, which does not meet the threshold of being a preponderance, to support that the specific harm was the result of abuse, abandonment or neglect. High risk cases may be referred to the CBC Lead Agency if the family would benefit from additional services and protective supervision.

**NO INDICATORS** – This investigative finding is used when there is no credible evidence to support the allegations of abuse, abandonment or neglect. No further services are provided.

**INVESTIGATION-** Once a call to the Florida Abuse Hotline is accepted, it is referred to either a DCF or Sheriff’s office for a Child Protective Investigator to conduct a thorough investigation that aligns with Florida’s Safety Methodology.

**SHERIFF OR DEPARTMENT OF CHILDREN AND FAMILIES-** Hotline calls accepted for investigation are either referred to the Department of Children and Families (DCF) Child Protective Investigators (CPI) or to Sheriff’s Office Child Protective Investigators (in Broward, Hillsborough, Pinellas, Pasco, Manatee and Seminole counties).

**COMMUNITY-BASED CARE LEAD AND PROVIDER AGENCY INVOLVEMENT-** When a Sheriff’s Investigator or DCF CPI concludes there is sufficient evidence to open a child protection case, the family is referred to the CBC Lead Agency who initiates a services case and assumes all responsibility for the case. If the child is determined by the CPI to be unsafe, the Court may first grant an emergency shelter to place the child in out-of-home care.

**PROTECTIVE SUPERVISION CASE OPENED-** A child protection investigation with findings of “verified” or “not substantiated” maltreatment may be referred to actions such as intensive in-home services to solve problems and build parenting skills. A wide array of services are made available to the family once referred to the CBC Lead Agency. The child may or may not be involved in an open court case while receiving services.

**COURT HEARINGS-** Florida’s dependency court system is responsible, after hearing all parties and evidence, for making a decision on the placement of a child as well as any required services to be provided, visitation rights of the parents and any other rulings in the case of special circumstances.

**SHELTER HEARING-** If an investigation discovers evidence of abuse and DCF or the Sheriff’s investigator removes a child from their home, a judge can either

agree that the removal is justified or disagree with the petition and order the child returned to the parent(s). This hearing must take place within 24 hours of the child being taken into custody.

**ARRAIGNMENT-** When a Shelter Petition (petition served to the parents and filed with the court removing the child from their care) is granted, Florida law requires that grounds for dependency must be filed and responded to in court within specific timeframes. A Dependency Petition is used (whether or not the child was sheltered) to determine whether the child meets the criteria for dependency and a court case to monitor the child’s ongoing safety monitoring is needed. During this hearing the parents are expected to enter a plea to the petition of either Admit (they acknowledge it happened as stated), Consent (they are willing to consent to dependency without admitting fault) or Deny (they disagree with the petition and are willing to go to trial).

**ADJUDICATION-** If a parent denies the allegations at Arraignment, a trial is scheduled. If the parent is found to have perpetrated the abuse, neglect or abandonment, the child is adjudicated dependent. If the parent is found to have not perpetrated the abuse, neglect or abandonment, the court case is closed. The child is adjudicated if the parent Admits or Consents to the petition, or the child is found dependent after an adjudicatory hearing when a parent denies and the case goes to trial.

**DISPOSITION-** A Disposition Hearing is scheduled when a parent admits to the allegations set forth at Arraignment, consents to a Dependency Petition or when the child is found dependent at a trial. This hearing is used to determine case plan goals and for the judge to review the child’s placement and plan for permanency.

**JUDICIAL REVIEW-** A court review of every dependency case is required by federal law every 6 months to determine the status of the child and compliance with the case plan. This review examines the need for changes in the case plan and child’s placement. If the case reaches a term of 11 months, the Judicial Review is also a Permanency Hearing where the court determines whether a goal change is needed for the child to achieve a permanent, nurturing family. This could mean continuing the goal of reunification with their family of origin or changing the goal to adoption, permanent guardianship or another planned permanent living arrangement.

**COMMUNITY-BASED CARE LEAD AGENCY-** Comprised of 17 not-for-profit organizations, CBCs contract with DCF for all child welfare services in a specific geographic area. These services include child abuse prevention, family support services, placement, case management, health and education coordination, foster care and adoption.

**PLACEMENT-** When a child is determined to be unsafe a decision must be made if the child should be placed in out-of-home care with relatives or non-relatives or placed in licensed foster care (including a family foster home, residential group home or residential treatment facility).

**CASE MANAGEMENT-** The responsibility of a Case Manager is to work with the family and system partners to determine the needs and services that children and families require, achieving a safe outcome for each child. The first task of a Case Manager is preparing a preliminary case plan for submission to the Court. This

includes talking to all parties involved to determine the most appropriate course of action and services needed. The Case Manager is responsible for making at least monthly visits with the child and family, referring the family to service providers, providing updates to the Court at regular intervals and coordinating many aspects of the case.

**SERVICES-** When a child enters the community-based care system the State becomes responsible for all of the child’s needs including health, education, dental care, food, shelter, safety and well-being. All needs of the child are documented in the case plan and services are arranged according to these needs.

**CASE PLAN-** A case plan outlines the safety issues identified and what needs to occur for the child to safely return home or achieve permanency by another means. The case plan should be developed with the family of origin. It outlines tasks for the parents and addresses the child’s needs through services and permanency. Once the Court approves a case plan it becomes a formal court document that obligates both the CBC Lead Agency and the family/guardians to fulfill their responsibilities.

**EXIT FROM THE SYSTEM TO PERMANENCY-** In order for abused children to not languish in the child welfare system, Congress enacted the Adoption and Safe Families Act (ASFA). It requires states to focus on returning children safely home within 12 months or placing them with a permanent family.

**FAMILY REUNIFICATION-** In the case of family reunification the court determines that the parents have met the obligations in the case plan and that it is safe for the child to be returned to them.

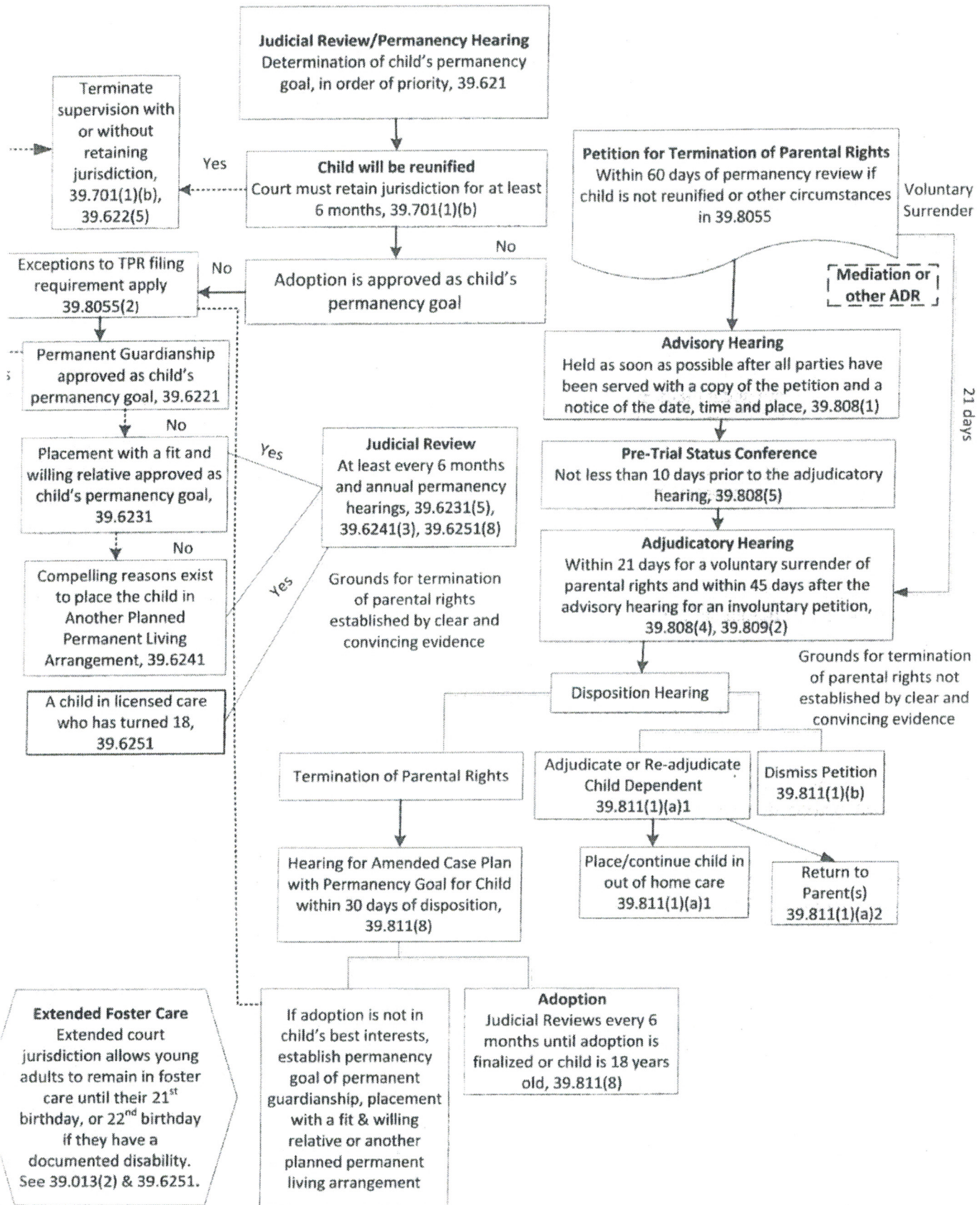
**ADOPTION-** When the court determines that a child in foster care will not be reunited with their parents, adoption is the preferred permanency option. In many cases relatives or foster parents adopt these children.

**RELATIVE/PERMANENT GUARDIANSHIP-** The court may consider legal guardianship as a permanent living arrangement if a child cannot be safely returned to their home within the timeframe required by law and adoption is not feasible. Guardianship gives the caregiver (relative or other) permanent custody of the child, but parental rights are not terminated. Guardians have authority over decisions regarding protection, education and care without the involvement of the child welfare system.

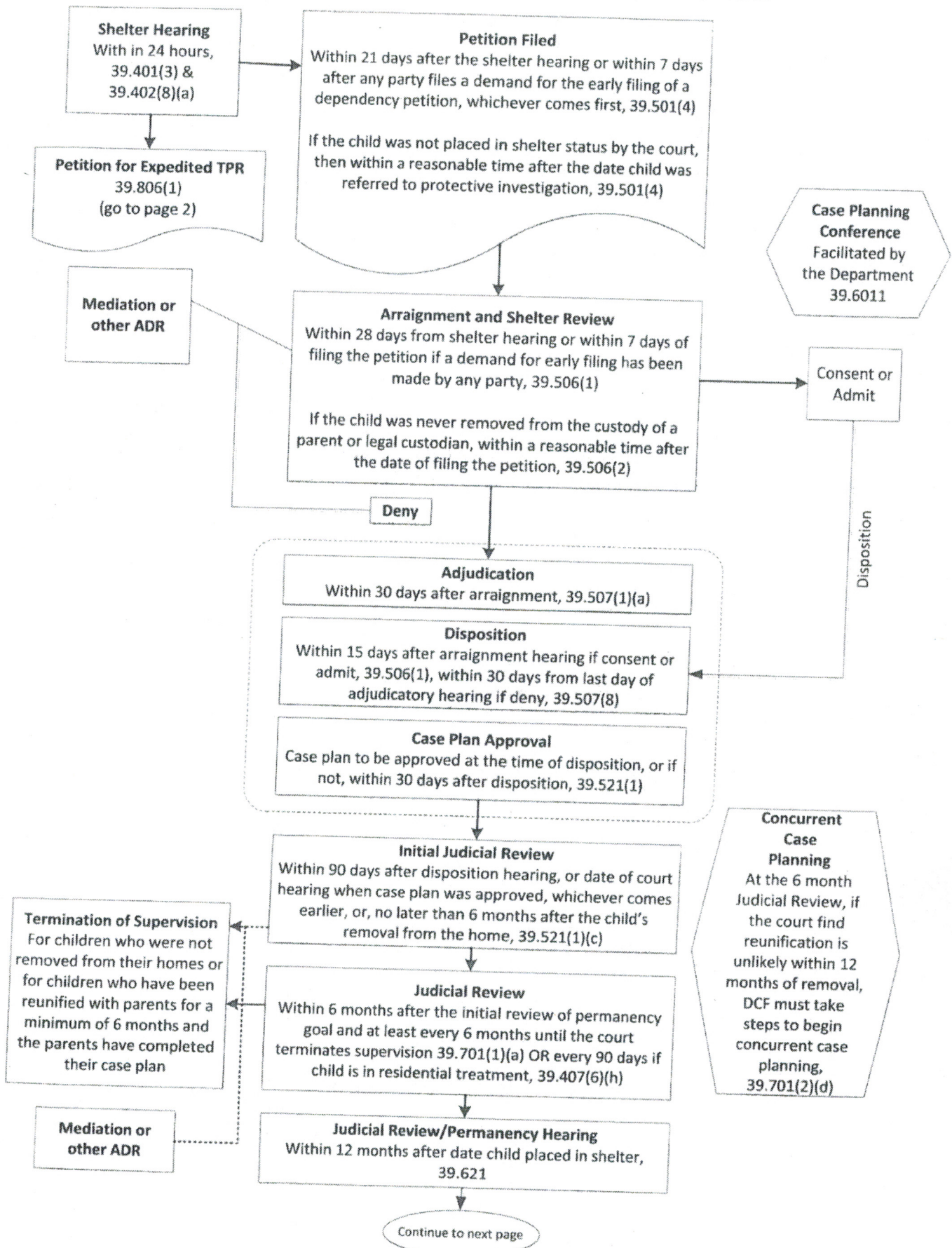
**EXTENDED FOSTER CARE-** The laws and rules of the child welfare system apply to persons under the age of 18, but a child who is in licensed care on their 18th birthday can choose to remain in care until the age of 21 (or 22 if they have a documented disability). Youth in extended foster care continue to have the support of the child welfare system while they attend school or a technical program. If a child does not choose to remain in care, they may still be eligible for some aftercare support services upon turning 18 that are designed to prevent homelessness and other poor outcomes historically prevalent in youth aging out of care without permanency. Youth may also opt to return to extended foster care at any time before they turn 21 if they chose to opt out.

# DEPENDENCY CASE MANAGEMENT FLOWCHART

(Continued)



## DEPENDENCY CASE MANAGEMENT FLOWCHART





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## **CEO Report January 2025**

Welcome back to the CCKids Board meeting, the first one in 2025.

We hope everyone has had a wonderful holiday season. To thank our senior management team for all the struggles and challenging work required in 2024, I took the group out for breakfast/brunch at Berry Fresh. We had our Holiday All-Staff on December 15th, and with the extra days of leave given, hopefully, everyone enjoyed the holiday season.

Since our last Board meeting on November 14, 2024, much has happened regarding contracts, enhanced staffings with DJJ, meetings with our local delegation, risk pool, insurance, KMPG and the funding formula, and the back of the bill.

On November 15<sup>th</sup>, the day following our last Board meeting, we learned that a district court judge in Texas had decided to block the Department of Labor's proposed increase in salary thresholds for both the July 1, 2024, and the January 1, 2025, target dates. For CCKids and CHS, the impact would have been an increase of \$167,279.

The ASO contract with Devereux is still pending Devereux's signature. They have an issue with some of the DCF-required forms. Andi Poli has worked creatively to find a resolution. Hopefully, by the time of the Board meeting, there will be a finalized contract. The contracts department is also busy working on preparing a schedule for Requests for Proposals for all services we contract out over \$250,000. Our DCF contract requires this. The largest provider impacted is Children's Home Society (CHS). An RFP for case management and adoptions will be released sometime in the spring of this year. This requirement will include all services, including the group homes such as Hibiscus, 2 Welcoming Arms, etc.

Various members of our Placement Unit and I participate in weekly calls with DJJ, reviewing kids we share who are on supervised release or in secure detention. We discuss behavior and placement challenges and work together to ensure we are doing all that we can for the children.

CCKids has presented at all four county delegation meetings. Denise Natalizio presented at the Martin County meeting, Caryn Toole at the Indian River delegation, Cheri Sheffer at Okeechobee, and I at Saint Lucie County's delegation meeting. Our message was consistent. There are still many issues to iron out with the funding formula; much more money needs to be infused to support Florida's child welfare system, and CCKids needs Risk Pool and Back of the Bill funding.

In addition to the delegation meetings, I had individual meetings with Senator Harrell, Representative Trabulsy, and Representative Snyder. Again, going over the financial challenges for the entire system of care and, of course, of CCKids individually. Caryn Toole had a conversation with Senator Grall. All are aware and sensitive to



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the CCKids situation. We also discussed the success of the Early Services Engagement Program (ESEP). Representative Trabulsky and Senator Harrell will again sponsor our request for the special appropriation. Cheri Sheffer, Lauren Hahn, Lorrene Egan, and Grace Sayre (ESEP program director) are assisting with the information needed for the request.

CCKids has applied to the risk pool again this year. There is \$3M in the pool, and 7 CBCs are asking for over \$21M to cover the shortfall. There are CBCs who have deficits and who did not apply to the risk pool as they felt it was a waste of time. Total deficits faced by Lead Agencies are projected at \$28M+. Therefore, a Back of the Bill will be needed. On a call with DCF on 1/17/25, we were told the Secretary's direction was that they would not support a request for Back of the Bill if you didn't apply for Risk Pool. CBCs pushed back. The Assistant Secretary for Administration, Chad Barrett, agreed to discuss with DCF leadership changing that position. Also in play is the FCC, working to gather the total projected deficit for the Lead Agencies and then advocating for Back of the Bill funding on our behalf. Should that scenario occur, we will need the support of the board (and all the CBC Boards) to advocate for the funding needed.

Lauren Hahn was able to secure the newly required performance bond coverage through Nationwide from Liberty Mutual. The rate is 2%, totaling \$10,5563 annually. This fulfills the requirement as enacted by HB7089. DCF has put the requirement for a fidelity bond on the back burner. In terms of insurance, with the increases being experienced in general, CCKids' premiums have gone up, especially for Abuse liability (100%). A total increase in cost for all coverage is \$58,665, or a 29% cost increase.

The "final" KMPG allocation formula report (82 pages) was issued and sent to House and Senate leadership. The Lead Agencies have expressed to DCF our concerns about the formula and that we cannot support the formula in its current form. DCF presented it to the Senate Children, Families, and Elders committee on January 14th, where there were many questions, especially from Senators Grall and Harrell. The issue is that if a formula is not agreed to in this session, how would any new or existing funding be allocated? Much more to come....

*Departmental reports follow:*

#### **CHIEF OPERATING OFFICER**

*Cheri Sheffer*

Our newest placement provider, WeCare, has successfully licensed their second large family foster home. Both homes are already being utilized at near capacity, increasing the number of sibling groups kept together and the number of teens able to be placed locally.



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Our licensing, placement, quality assurance community relations, and contracts teams are collaborating on a redesign of our foster home recruitment and retention plan. The planning includes a focus group among foster parents and a retreat that includes our contracted foster home recruitment providers. The revamped plan will align each contracted agency's plans with the CCKids' plan to ensure we maximize our collective reach. In addition to capitalizing on the approaches that have been successful, the plan identifies new areas of focus gleaned from the retreat and the focus group.

## **ST LUCIE COUNTY**

*Lorrene Egan, St Lucie County Director*

Caseloads for St. Lucie case management have been down 15% since January 2024, hovering around 300 children open for supervision. Turnover has also been reduced over the past few months. Staff are continuing to work on meeting all of the requirements and improving the quality of services.

The Early Services Engagement Program (ESEP) had a great first quarter. The program has served 19 families and 53 children. Two of these 53 children had to enter out-of-home care. However, 96% of all children served have been retained in their homes with their families up to this point.

The majority of community meetings attended by Director Egan were canceled during December.

## **MARTIN COUNTY**

*Denise Natalizio, MS, Martin County Director*

In December, the kinship navigation team hosted a kinship family holiday celebration for relative and nonrelative caregivers. Fifteen families (approximately 60 people) were able to share a meal and celebrate their families together. The children had fun making crafts, participating in interactive games, and visiting with a very special guest, Santa Claus! Each family that attended took home a framed family photo to remember the holiday season together. The kinship navigation team is grateful to Indian River Presbyterian Church for partnering to host this event.

I participated in the Martin County Interagency Coalition, board meetings, and the MC Department of Juvenile Justice Committee.

### Martin County Case Management

Fortunately, MC continues to have a very low number of families currently open. With approximately 35 children, the caseload ratios remain low.

### Level I Licensing (Relatives and Non-Relatives)



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The team is working with 123 families. Our goal is to license 40% of this population, but we have been fluctuating between 44% and 46%.

Level II-V Licensing (traditional/therapeutic/medical)

While we have a current net loss of 4 foster homes for the 2024/2025 fiscal year, we have a net gain of 21 beds as several homes have increased their capacities. Our CPAs (Child Placing Agencies) have a combined 37 homes in the licensing process.

Kinship Navigator Program

We are engaging with kinship caregivers to provide support and needed resources; the team served 7 new families in December and 76 this fiscal year.

**INDIAN RIVER & OKEECHOBEE COUNTY**

*Caryn Toole, Okeechobee, and Indian River Director*

**Road to Success Program:**

EFC = 15 (+ 15 EFC Out of County Services)

Aftercare/PESS = 24

Under 18 minors served = 91

Road to Success had two exciting college graduations in December. K.J. graduated with honors from Daytona State College with her A.S. in Criminal Justice, and she will be headed to UCF to finish her bachelor's degree.

A.F. graduated from FSU with her Master's Degree in Social Work with a 4.0 grade point average. She will begin working on her required hours to become a licensed clinical therapist.

The Road to Success staff continues to work with our clients from 13 to 23 on all aspects of available programming.

**Okeechobee:**

County Director Caryn Toole participated in the Health and Human Services and Department of Juvenile Justice Council meetings this month. Caryn attended the monthly meeting of the Okeechobee Sexual Assault Recovery Team.



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### **Indian River:**

County Manager Caryn Toole is a member of the United Way of Indian River County Board of Directors; she attended her monthly board meeting. Caryn is also a member of the Samaritan Center (a transitional living program for Homeless Families) Advisory Board and attended their monthly board meeting. Caryn participated in the Healthy Start of Indian River County Community Action team studying Infant Mortality and participated in both bi-monthly meetings. This month, Caryn also participated in the IRC Children's Services Council Grant subcommittee monthly meeting, the IRC Executive Roundtable meeting, and the IRC School and Health Advisory team meeting. Caryn also attended a School District of Indian River County Community Impact meeting.

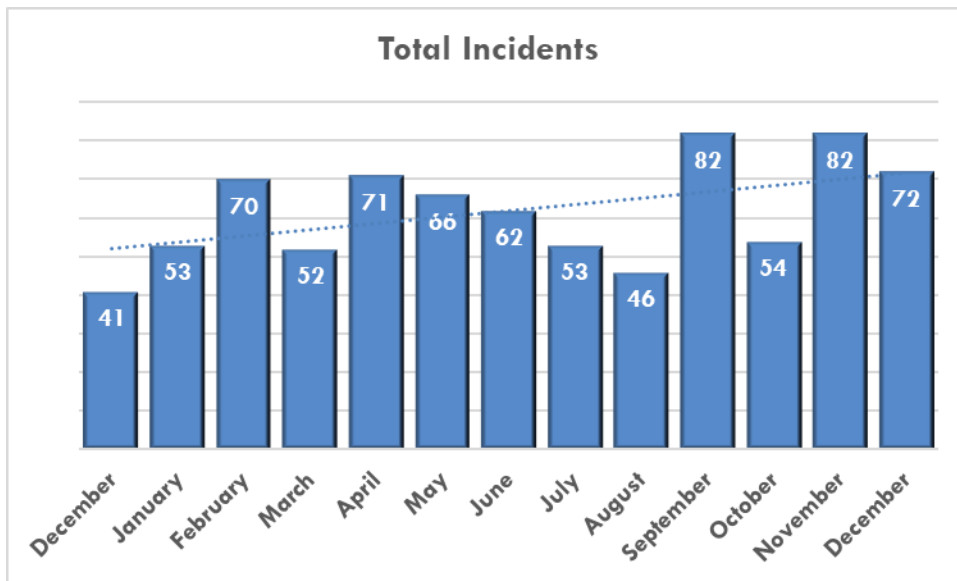
### **QUALITY MANAGEMENT**

*Rusty Kline, Director of Quality Management*

#### **Quality Management/Risk Management:**

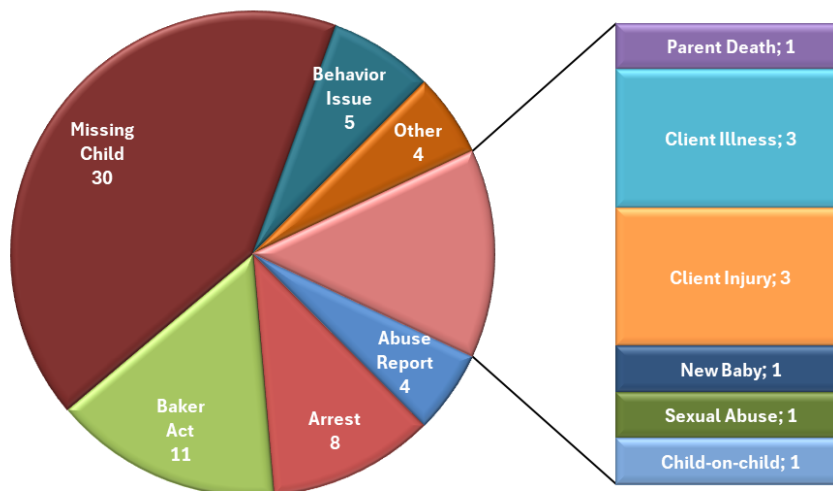
The data highlighted below represents incident reports received during the month of December 2024 and will be presented to CCKids Senior Management, County Directors, Program Directors, and Case Manager Supervisors.

72 incidents were reported during the month of December 2024. Of the 72 incidents, 5 were listed as secondary categories in conjunction with other incidents. These reports listed 34 individual children and 2 parents as active participants. Eight of the 34 children are placed in Circuit 19 by another CBC agency and are only receiving courtesy supervision services from CCKids. Of the 34 children involved, 12 were named as participants in more than one incident report and/or incident type.



The total number of incidents reported decreased from November to December but remained above the average (61) for the last 12 months.

**INCIDENT REPORTS BY CATEGORY**





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## **TRAINING AND DEVELOPMENT**

*Nicky Smith, Director of Training and Development*

The latest cycle of Pre-Service Training for Case Managers and Licensing staff starts on February 3, 2025. The training team continues to provide individual mentoring and coaching support for recent graduates working to attain their case manager certification. Upcoming In-service training includes topics related to Quality Home Assessments, Safety Planning, and Case Work Practice Workshops.

I continue to participate in monthly meetings with representatives from the DCF training department and the Florida Certification Board to discuss collaboration and share information about training issues across the state. I continue to participate in the monthly steering group as we plan for the rollout of the new Academy. I continue to participate in the Florida Certification Board Advisory Council and the ethics sub-committee, and we continue to meet monthly to review ethics complaints from across the state. I continue facilitating the monthly FCC Quality & Training Sub-committee and participating in the monthly FCC Systems Operations meeting. In addition, I continue to participate on the FCC Conference Planning Committee which meets on a monthly basis.

## **FINANCE**

*Lauren Hahn, CFO*

We are halfway through the fiscal year, and I am happy to report that our lead agency costs are in line with the budget. We are starting to see the effects of our cost-cutting strategies that were implemented in October after contract negotiations with providers took place, effective October 1, 2024. Specifically, expenses are down in Prevention and Foster Care Administration services and are expected to continue at these levels going forward. The Independent Living and the ESEP programs are operating within budget. However, we are still experiencing unfavorable variances in out-of-home care costs.

We completed our financial audit with James Moore and Co. We received an unmodified opinion, and there were no findings. The audit was filed in a timely manner with DCF and the appropriate state and federal agencies.

Since our last meeting, a second amendment to our DCF contract has been executed. The amendment provided \$158,479 for the Community-Based Child Abuse Prevention (CBCAP) grant and \$100,000 for the housing specialist.

Although we are operating according to our budget and working diligently to achieve a surplus by year-end, we again applied to the risk pool this year, requesting \$1,754,300. The total amount of risk pool funds available to all applying CBCs is \$3 million. As such, we plan on asking for "Back of the Bill" funding for funds not awarded through the risk pool. In the meantime, we are waiting to hear from DCF.



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The funding model exercise with KPMG is nearing its end. DCF recently presented the finalized model to legislators. DCF's CFO and staff committed to working with each individual CBC to apply CBC-specific data from the first quarter of FY2025 to see the potential results. It is my understanding that DCF will set meetings next week with individual CBCs to review.

Insurance renewals took place on 1/1/25, during which our general liability premiums increased from \$200,380 to \$259,045. The premium specific to improper sexual conduct liability increased 100%, from \$91,614 in the calendar year 2024 to \$183,225 in the calendar year 2025. Premiums for Umbrella decreased from \$33,587 to \$1,402 because Umbrella no longer covers improper sexual conduct liability and Professional Liability. In conversation with my counterparts in other lead agencies, they experienced the same increases.



# AT-A-GLANCE

| Scorecard/Contract Performance Measures |                                                                   | December | December | Target | % Change |
|-----------------------------------------|-------------------------------------------------------------------|----------|----------|--------|----------|
| SAFETY                                  | Children Not Abused in OOHC                                       | 0.00     | 0.00     | 9.07   | 0.00     |
|                                         | No Abuse during In-Home Services                                  | 98.61%   | 97.62%   | 95.00% | ▶ -0.99% |
|                                         | Children with No Recurrence of Verified Abuse within 12 Months    | 93.75%   | 86.89%   | 90.30% | ▶ -6.86% |
|                                         |                                                                   |          |          |        |          |
| WELL-BEING                              | Kids Seen Every 30 Days                                           | 100.00%  | 99.37%   | 99.50% | ▶ -0.63% |
|                                         |                                                                   |          |          |        |          |
| PERMANENCY                              | Placement Moves per 1000 Days in OOHC                             | 4.19     | 4.12     | 4.50   | ▶ -0.07  |
|                                         | Kids Exiting OOHC to a Permanent Home w/In 12 Months of Removal   | 5.56%    | 45.45%   | 35.20% | ▶ 39.90% |
|                                         | Kids in OOHC 12-23 Months who Exit to a Permanent Home            | 66.90%   | 63.64%   | 44.00% | ▶ -3.26% |
|                                         | Kids Who do Not Re-enter OOHC within 12 Months of Exit*           | 93.98%   | 93.70%   | 94.40% | ▶ -0.28% |
|                                         | Percentage of Children in OOHC Placed with Relative/Non-Relatives | 51.05%   | 51.11%   | 60.00% | ▶ 0.06%  |
|                                         | Sibling Groups Placed Together in OOHC                            | 70.73%   | 66.25%   | 65.00% | ▶ -4.48% |
|                                         | Number of Finalized Adoptions (YTD)                               | 37       | 55       | 76     | ▶ 18     |

Communities Connected for Kids, Inc.  
Financial Dashboard  
as of December 31, 2024  
(unaudited and for internal purposes only)

|              |              |
|--------------|--------------|
| Cash in Bank | \$ 4,741,460 |
|--------------|--------------|

|              |              |
|--------------|--------------|
| Total Assets | \$ 7,602,755 |
|--------------|--------------|

|                   |              |
|-------------------|--------------|
| Total Liabilities | \$ 5,756,745 |
|-------------------|--------------|

|                  |              |
|------------------|--------------|
| Total Net Assets | \$ 1,846,010 |
|------------------|--------------|

|                    |              |
|--------------------|--------------|
| Current Assets (a) | \$ 4,360,681 |
|--------------------|--------------|

|                         |              |                          |
|-------------------------|--------------|--------------------------|
| Current Liabilities (b) | \$ 2,453,949 | 1.78 Current Ratio [a/b] |
|-------------------------|--------------|--------------------------|

|                       | Current Month | Year-to-Date  |
|-----------------------|---------------|---------------|
| Total Revenues        | \$ 3,377,921  | \$ 20,008,891 |
| Total Expenses        | \$ 3,376,057  | \$ 20,051,159 |
| Net Surplus (Deficit) | \$ 1,864      | \$ (42,267)   |

**Communities Connected for Kids, Inc.**  
**Statement of Activities by Program**  
**For the Month and Fiscal Year-to-Date ending December 31, 2024**  
**(unaudited and for internal use only)**

|                            | Dec-24                    |             |                   |        |              |                        |
|----------------------------|---------------------------|-------------|-------------------|--------|--------------|------------------------|
|                            | (D) DCF Child             |             | (E) DCF Welfare - |        | (F) DCF      |                        |
|                            | (C) DCF Child             | Independent | Living            | ESEP   | (G) Sunshine | (H) Other              |
|                            | Welfare Core Plus (ZJ002) | (ZJ002)     | (ZJ001)           |        |              | (I) TOTAL All Programs |
| <b>Revenue:</b>            |                           |             |                   |        |              |                        |
| DCF Core Services          | 2,025,569                 |             |                   |        |              | 2,025,569              |
| DCF IL                     | -                         | 101,887     |                   |        |              | 101,887                |
| DCF Other                  | 61,303                    |             |                   |        |              | 61,303                 |
| ESEP                       | -                         |             | 80,796            |        |              | 80,796                 |
| DCF Total                  | 2,123,798                 | 101,887     | 80,796            | -      | -            | 2,306,481              |
| Sunshine State Health Plan | -                         |             |                   | 23,604 |              | 23,604                 |
| Other                      | -                         |             |                   |        | 858          | 858                    |
| Total Revenue              | 2,123,798                 | 101,887     | 80,796            | 23,604 | 858          | 2,330,942              |
| <b>Expenses</b>            |                           |             |                   |        |              |                        |
| Lead Agency Expenses       |                           |             |                   |        |              |                        |
| Salaries & Wages           |                           |             |                   |        |              |                        |
| Salaries                   | 575,914                   | 37,266      | 34,693            | 6,406  |              | 654,278                |
| Overtime                   | 11,112                    | 224         | 423               | -      |              | 11,759                 |
| Total Salaries & Wages     | 587,026                   | 37,490      | 35,116            | 6,406  | -            | 666,037                |
| Employee Benefits          | 180,360                   | 13,371      | 9,795             | 1,703  |              | 205,229                |
| Occupancy                  |                           |             |                   |        |              |                        |
| Rent                       | 72,547                    | 1,641       | 2,712             | 234    |              | 77,133                 |
| Utilities                  | 1,441                     | 177         | -                 | 7      |              | 1,625                  |
| Phone                      | 16,033                    | 1,075       | 1,045             | 91     |              | 18,244                 |
| Equipment rental           | 566                       | 45          | 12                | 7      |              | 630                    |
| Repairs and maintenance    | 9,115                     | 399         | 261               | 50     |              | 9,825                  |
| Total Occupancy            | 99,701                    | 3,336       | 4,029             | 390    | -            | 107,457                |
| Insurance                  | 18,580                    | -           |                   |        |              | 18,580                 |
| Office/Travel/Other        |                           |             |                   |        |              |                        |
| Office expense             | 6,291                     | 42          | 181               | 3      |              | 6,517                  |
| Travel                     | 13,911                    | 1,209       | 153               | -      |              | 15,273                 |
| Legal                      | 57                        |             |                   | -      |              | 57                     |
| Audit                      | 21,000                    | -           |                   | -      |              | 21,000                 |
| PR, Conferences, Trainings | 3,245                     | -           |                   | -      |              | 3,245                  |
| Total Office/Travel/Other  | 44,504                    | 1,251       | 334               | 3      | -            | 46,092                 |
| Administrative/IT          | 50,189                    | -           | 14                | -      |              | 50,203                 |
| Total Lead Agency Costs    | 980,361                   | 55,448      | 49,288            | 8,502  | -            | 1,093,598              |

**Communities Connected for Kids, Inc.**  
**Statement of Activities by Program**  
**For the Month and Fiscal Year-to-Date ending December 31, 2024**  
**(unaudited and for internal use only)**

|                                              | Dec-24                                  |                            |               |               |              |                 |
|----------------------------------------------|-----------------------------------------|----------------------------|---------------|---------------|--------------|-----------------|
|                                              | (D) DCF Child Welfare -                 |                            | (F) DCF       | (G)           | (H)          | (I) TOTAL All   |
|                                              | (C) DCF Child Welfare Core Plus (ZJ002) | Independent Living (ZJ002) | ESEP (ZJ001)  | Sunshine      | Other        | Programs        |
| <b>Contracted Services</b>                   |                                         |                            |               |               |              |                 |
| <b>CM/Adoption</b>                           |                                         |                            |               |               |              |                 |
| Case management                              | 284,941                                 |                            |               |               |              | 284,941         |
| Adoption services                            | 71,690                                  |                            |               |               |              | 71,690          |
| <b>Total CM/Adoption</b>                     | 356,631                                 | -                          | -             | -             | -            | 356,631         |
| Prevention and intervention                  | 76,488                                  |                            | -             |               |              | 76,488          |
| Diversion services                           | 46,190                                  |                            |               |               |              | 46,190          |
| Foster care recruitment                      | 145,541                                 |                            | -             |               |              | 145,541         |
| <b>Total Contracted Services</b>             | 624,850                                 | -                          | -             | -             | -            | 624,850         |
| <b>Out of Home Care</b>                      |                                         |                            |               |               |              |                 |
| Foster home                                  | 106,103                                 |                            |               |               |              | 106,103         |
| Residential group care                       | 468,245                                 |                            |               |               |              | 468,245         |
| Clothing                                     | -                                       |                            |               |               |              | -               |
| <b>Total Out of home care</b>                | 574,349                                 | -                          | -             | -             | -            | 574,349         |
| <b>Independent Living</b>                    |                                         |                            |               |               |              |                 |
| Room and board                               | -                                       | 11,501                     |               |               |              | 11,501          |
| PESS and Aftercare Services                  | -                                       | 29,657                     |               |               |              | 29,657          |
| <b>Total Independent Living</b>              | -                                       | 41,158                     | -             | -             | -            | 41,158          |
| <b>Client support services</b>               |                                         |                            |               |               |              |                 |
| Children's mental health wraparound services | 5,428                                   |                            |               |               |              | 5,428           |
| Lab services                                 | 19,273                                  | -                          | 65            |               |              | 19,338          |
| Other services                               | 25,063                                  | 434                        | 576           | -             | (665)        | 25,409          |
| <b>Total Client support services</b>         | 49,764                                  | 434                        | 641           | -             | (665)        | 50,175          |
| <b>Total Operating Expenses</b>              | 2,229,324                               | 97,040                     | 49,929        | 8,502         | (665)        | 2,384,130       |
| <b>Other Expenses</b>                        | 1,936                                   |                            |               |               |              | 1,936           |
| <b>Total Expenses</b>                        | 2,231,260                               | 97,040                     | 49,929        | 8,502         | (665)        | 2,386,066       |
| <b>Operating surplus (decifit)</b>           | <b>(107,462)</b>                        | <b>4,847</b>               | <b>30,867</b> | <b>15,102</b> | <b>1,522</b> | <b>(55,124)</b> |

**Communities Connected for Kids, Inc.**  
**Statement of Activities by Program**  
**For the Month and Fiscal Year-to-Date ending December 31, 2024**  
**(unaudited and for internal use only)**

|                                   | Dec-24        |             |         |          |       |               |
|-----------------------------------|---------------|-------------|---------|----------|-------|---------------|
|                                   | (D) DCF Child |             |         |          |       |               |
|                                   | (C ) DCF      | Welfare -   | (F) DCF |          |       |               |
|                                   | Child         | Independent | ESEP    | (G)      | (H)   | (I) TOTAL All |
|                                   | Welfare Core  | Living      | (ZJ001) | Sunshine | Other | Programs      |
|                                   | Plus (ZJ002)  | (ZJ002)     |         |          |       |               |
| <b>Maintenance Subsidies</b>      |               |             |         |          |       |               |
| Revenue - Adoption                | 863,558       |             |         |          |       | 863,558       |
| Revenue - Level 1 Licensed Care   | 79,301        |             |         |          |       | 79,301        |
| Revenue - Guardianship Assistance | 63,814        |             |         |          |       | 63,814        |
| Revenue - Child Care Subsidies    | 40,306        |             |         |          |       | 40,306        |
| Total Revenue - Subsidies         | 1,046,979     | -           | -       | -        | -     | 1,046,979     |
| <br>Expense - Adoption            | 839,040       |             |         |          |       | 839,040       |
| Expense - Level 1 Licensed Care   | 51,152        |             |         |          |       | 51,152        |
| Expense - Guardianship Assistance | 68,879        |             |         |          |       | 68,879        |
| Expense - Child Care Subsidies    | 30,920        |             |         |          |       | 30,920        |
| Total Expense - Subsidies         | 989,991       | -           | -       | -        | -     | 989,991       |
| <br>Net Subsidies                 | 56,988        | -           | -       | -        | -     | 56,988        |
| <br>Gross Revenue                 | 3,170,777     | 101,887     | 80,796  | 23,604   | 858   | 3,377,921     |
| Expenses (incl MAS)               | 3,221,251     | 97,040      | 49,929  | 8,502    | (665) | 3,376,057     |
| Net surplus (decifit)             | (50,474)      | 4,847       | 30,867  | 15,102   | 1,522 | 1,864         |

**Communities Connected for Kids, Inc.**  
**Statement of Activities by Program**  
**For the Month and Fiscal Year-to-Date ending December 31, 2024**  
**(unaudited and for internal use only)**

|                            | YTD                                                  |                                                                |                            |                 |              |                           |
|----------------------------|------------------------------------------------------|----------------------------------------------------------------|----------------------------|-----------------|--------------|---------------------------|
|                            | (C ) DCF<br>Child<br>Welfare<br>Core Plus<br>(ZJ002) | (D) DCF Child<br>Welfare -<br>Independent<br>Living<br>(ZJ002) | (F) DCF<br>ESEP<br>(ZJ001) | (G)<br>Sunshine | (H)<br>Other | (I) TOTAL All<br>Programs |
| <b>Revenue:</b>            |                                                      |                                                                |                            |                 |              |                           |
| DCF Core Services          | 12,256,309                                           |                                                                |                            |                 |              | 12,256,309                |
| DCF IL                     | -                                                    | 611,321                                                        |                            |                 |              | 611,321                   |
| DCF Other                  | 183,190                                              |                                                                |                            |                 |              | 183,190                   |
| ESEP                       | -                                                    |                                                                | 484,775                    |                 |              | 484,775                   |
| DCF Total                  | 12,476,425                                           | 611,321                                                        | 484,775                    | -               | -            | 13,572,521                |
| Sunshine State Health Plan | -                                                    |                                                                |                            | 144,662         |              | 144,662                   |
| Other                      | -                                                    |                                                                |                            |                 | 9,834        | 9,834                     |
| Total Revenue              | 12,476,425                                           | 611,321                                                        | 484,775                    | 144,662         | 9,834        | 13,727,017                |
| <b>Expenses</b>            |                                                      |                                                                |                            |                 |              |                           |
| Lead Agency Expenses       |                                                      |                                                                |                            |                 |              |                           |
| Salaries & Wages           |                                                      |                                                                |                            |                 |              |                           |
| Salaries                   | 3,449,837                                            | 212,189                                                        | 126,617                    | 37,320          | -            | 3,825,962                 |
| Overtime                   | 63,979                                               | 2,387                                                          | 1,199                      | -               | -            | 67,565                    |
| Total Salaries & Wages     | 3,513,816                                            | 214,576                                                        | 127,816                    | 37,320          | -            | 3,893,527                 |
| Employee Benefits          | 1,054,481                                            | 69,221                                                         | 33,997                     | 10,906          | 500          | 1,169,105                 |
| Occupancy                  |                                                      |                                                                |                            |                 |              |                           |
| Rent                       | 442,877                                              | 10,544                                                         | 5,424                      | 2,874           |              | 461,719                   |
| Utilities                  | 17,396                                               | 1,073                                                          | 144                        | 48              |              | 18,661                    |
| Phone                      | 70,682                                               | 5,203                                                          | 1,309                      | 484             |              | 77,679                    |
| Equipment rental           | 16,120                                               | 1,206                                                          | 22                         | 165             |              | 17,513                    |
| Repairs and maintenance    | 52,313                                               | 1,512                                                          | 261                        | 386             |              | 54,473                    |
| Total Occupancy            | 599,389                                              | 19,538                                                         | 7,159                      | 3,958           | -            | 630,044                   |
| Insurance                  | 120,434                                              | -                                                              | -                          |                 |              | 120,434                   |
| Office/Travel/Other        |                                                      |                                                                |                            |                 |              |                           |
| Office expense             | 57,225                                               | 225                                                            | 964                        | 13              | 305          | 58,732                    |
| Travel                     | 71,648                                               | 2,997                                                          | 447                        |                 | 387          | 75,478                    |
| Legal                      | 7,891                                                | -                                                              |                            |                 |              | 7,891                     |
| Audit                      | 40,027                                               | -                                                              |                            |                 |              | 40,027                    |
| PR, Conferences, Trainings | 13,738                                               | 666                                                            | -                          |                 |              | 14,404                    |
| Total Office/Travel/Other  | 190,529                                              | 3,888                                                          | 1,411                      | 13              | 692          | 196,533                   |
| Administrative/IT          | 282,721                                              | 43                                                             | 37                         | 15              |              | 282,816                   |
| Total Lead Agency Costs    | 5,761,370                                            | 307,265                                                        | 170,420                    | 52,212          | 1,192        | 6,292,459                 |

**Communities Connected for Kids, Inc.**  
**Statement of Activities by Program**  
**For the Month and Fiscal Year-to-Date ending December 31, 2024**  
**(unaudited and for internal use only)**

|                                                 | YTD                                                  |                                                                |                            |                 |              |                           |
|-------------------------------------------------|------------------------------------------------------|----------------------------------------------------------------|----------------------------|-----------------|--------------|---------------------------|
|                                                 | (C ) DCF<br>Child<br>Welfare<br>Core Plus<br>(ZJ002) | (D) DCF Child<br>Welfare -<br>Independent<br>Living<br>(ZJ002) | (F) DCF<br>ESEP<br>(ZJ001) | (G)<br>Sunshine | (H)<br>Other | (I) TOTAL All<br>Programs |
| <b>Contracted Services</b>                      |                                                      |                                                                |                            |                 |              |                           |
| <b>CM/Adoption</b>                              |                                                      |                                                                |                            |                 |              |                           |
| Case management                                 | 1,558,678                                            |                                                                |                            |                 |              | 1,558,678                 |
| Adoption services                               | 382,626                                              |                                                                |                            |                 |              | 382,626                   |
| <b>Total CM/Adoption</b>                        | 1,941,304                                            | -                                                              | -                          | -               | -            | 1,941,304                 |
| Prevention and intervention                     | 487,223                                              |                                                                |                            |                 |              | 487,223                   |
| Diversion services                              | 295,812                                              |                                                                |                            |                 |              | 295,812                   |
| Foster care recruitment                         | 1,104,590                                            |                                                                |                            |                 |              | 1,104,590                 |
| <b>Total Contracted Services</b>                | 3,828,930                                            | -                                                              | -                          | -               | -            | 3,828,930                 |
| <b>Out of Home Care</b>                         |                                                      |                                                                |                            |                 |              |                           |
| Foster home                                     | 605,855                                              |                                                                |                            |                 |              | 605,855                   |
| Residential group care                          | 2,727,759                                            |                                                                |                            |                 |              | 2,727,759                 |
| Clothing                                        | 71,940                                               |                                                                |                            |                 |              | 71,940                    |
| <b>Total Out of home care</b>                   | 3,405,554                                            | -                                                              | -                          | -               | -            | 3,405,554                 |
| <b>Independent Living</b>                       |                                                      |                                                                |                            |                 |              |                           |
| Room and board                                  | -                                                    | 71,919                                                         |                            |                 |              | 71,919                    |
| PESS and Aftercare Services                     | -                                                    | 170,856                                                        |                            |                 |              | 170,856                   |
| <b>Total Independent Living</b>                 | -                                                    | 242,775                                                        | -                          | -               | -            | 242,775                   |
| <b>Client support services</b>                  |                                                      |                                                                |                            |                 |              |                           |
| Children's mental health wraparound<br>services | 49,833                                               |                                                                |                            |                 |              | 49,833                    |
| Lab services                                    | 83,669                                               | 243                                                            | 570                        |                 |              | 84,482                    |
| Other services                                  | 215,575                                              | 1,572                                                          | 726                        | -               | 5,880        | 223,753                   |
| <b>Total Client support services</b>            | 349,076                                              | 1,816                                                          | 1,295                      | -               | 5,880        | 358,067                   |
| <b>Total Operating Expenses</b>                 | 13,344,929                                           | 551,855                                                        | 171,715                    | 52,212          | 7,073        | 14,127,784                |
| <b>Other Expenses</b>                           | 11,644                                               |                                                                |                            |                 |              | 11,644                    |
| <b>Total Expenses</b>                           | 13,356,574                                           | 551,855                                                        | 171,715                    | 52,212          | 7,073        | 14,139,429                |
| <b>Operating surplus (decifit)</b>              | (880,149)                                            | 59,466                                                         | 313,060                    | 92,450          | 2,762        | (412,411)                 |

**Communities Connected for Kids, Inc.**  
**Statement of Activities by Program**  
**For the Month and Fiscal Year-to-Date ending December 31, 2024**  
**(unaudited and for internal use only)**

|                                   | YTD                                                  |                                                                |                            |                 |              |                           |
|-----------------------------------|------------------------------------------------------|----------------------------------------------------------------|----------------------------|-----------------|--------------|---------------------------|
|                                   | (C ) DCF<br>Child<br>Welfare<br>Core Plus<br>(ZJ002) | (D) DCF Child<br>Welfare -<br>Independent<br>Living<br>(ZJ002) | (F) DCF<br>ESEP<br>(ZJ001) | (G)<br>Sunshine | (H)<br>Other | (I) TOTAL All<br>Programs |
| <b>Maintenance Subsidies</b>      |                                                      |                                                                |                            |                 |              |                           |
| Revenue - Adoption                | 5,181,349                                            |                                                                |                            |                 |              | 5,181,349                 |
| Revenue - Level 1 Licensed Care   | 475,806                                              |                                                                |                            |                 |              | 475,806                   |
| Revenue - Guardianship Assistance | 382,886                                              |                                                                |                            |                 |              | 382,886                   |
| Revenue - Child Care Subsidies    | 241,834                                              |                                                                |                            |                 |              | 241,834                   |
| Total Revenue - Subsidies         | 6,281,874                                            | -                                                              | -                          | -               | -            | 6,281,874                 |
| Expense - Adoption                | 5,026,176                                            |                                                                |                            |                 |              | 5,026,176                 |
| Expense - Level 1 Licensed Care   | 346,228                                              |                                                                |                            |                 |              | 346,228                   |
| Expense - Guardianship Assistance | 368,877                                              |                                                                |                            |                 |              | 368,877                   |
| Expense - Child Care Subsidies    | 170,450                                              |                                                                |                            |                 |              | 170,450                   |
| Total Expense - Subsidies         | 5,911,730                                            | -                                                              | -                          | -               | -            | 5,911,730                 |
| Net Subsidies                     | 370,144                                              | -                                                              | -                          | -               | -            | 370,144                   |
| Gross Revenue                     | 18,758,299                                           | 611,321                                                        | 484,775                    | 144,662         | 9,834        | 20,008,891                |
| Expenses (incl MAS)               | 19,268,304                                           | 551,855                                                        | 171,715                    | 52,212          | 7,073        | 20,051,159                |
| Net surplus (decifit)             | (510,005)                                            | 59,466                                                         | 313,060                    | 92,450          | 2,762        | (42,267)                  |

Communities Connected for Kids, Inc.  
Statement of Activities  
For the Month and Fiscal Year-to-Date ended December 31, 2024  
(unaudited and for internal use only)

|                                      | Dec-24    |           |                         | YTD        |            |                         | 50.00%                            | YTD                           |
|--------------------------------------|-----------|-----------|-------------------------|------------|------------|-------------------------|-----------------------------------|-------------------------------|
|                                      | Actual    | Budget    | Fav (Unfav)<br>Variance | Actual     | Budget     | Fav (Unfav)<br>Variance | % of Actual<br>To Total<br>Budget | Approved<br>Budget<br>FY24-25 |
| <b>Revenue:</b>                      |           |           |                         |            |            |                         |                                   |                               |
| DCF Core Services                    | 2,025,569 | 2,046,148 | (20,579)                | 12,256,309 | 12,276,888 | (20,579)                | 49.9%                             | 24,553,776                    |
| DCF IL                               | 101,887   | 101,887   | -                       | 611,321    | 611,321    | -                       | 50.0%                             | 1,222,642                     |
| DCF Other                            | 61,303    | 45,917    | 15,386                  | 183,190    | 275,504    | (92,314)                | 62.6%                             | 292,529                       |
| ESEP                                 | 80,796    | 80,796    | (0)                     | 484,775    | 484,776    | (0)                     | 50.0%                             | 969,551                       |
| DCF Total                            | 2,306,481 | 2,274,748 | 31,733                  | 13,572,521 | 13,648,489 | (75,967)                | 49.7%                             | 27,296,977                    |
| Sunshine State Health Plan           | 23,604    | 24,500    | (896)                   | 144,662    | 147,000    | (2,338)                 | 49.2%                             | 294,000                       |
| Other                                | 858       | 1,250     | (392)                   | 9,834      | 7,500      | 2,334                   | 65.6%                             | 15,000                        |
| Total Revenue                        | 2,330,942 | 2,300,498 | 30,444                  | 13,727,017 | 13,802,989 | (75,971)                | 49.7%                             | 27,605,977                    |
| <b>Expenses:</b>                     |           |           |                         |            |            |                         |                                   |                               |
| Lead Agency / System of Care Expense |           |           |                         |            |            |                         |                                   |                               |
| Salaries and wages                   |           |           |                         |            |            |                         |                                   |                               |
| Salaries                             | 654,278   | 630,594   | (23,684)                | 3,825,962  | 3,783,567  | (42,395)                | 50.6%                             | 7,567,134                     |
| Overtime                             | 11,759    | 12,500    | 741                     | 67,565     | 75,000     | 7,435                   | 45.0%                             | 150,000                       |
| Total Salaries & Wages               | 666,037   | 643,094   | (22,943)                | 3,893,527  | 3,858,567  | (34,960)                | 50.5%                             | 7,717,134                     |
| Employee benefits                    | 205,229   | 184,875   | (20,354)                | 1,169,105  | 1,109,248  | (59,857)                | 52.7%                             | 2,218,496                     |
| Occupancy                            |           |           |                         |            |            |                         |                                   |                               |
| Rent                                 | 77,133    | 79,563    | 2,430                   | 461,719    | 477,376    | 15,657                  | 48.4%                             | 954,752                       |
| Utilities                            | 1,625     | 3,750     | 2,125                   | 18,661     | 22,500     | 3,839                   | 41.5%                             | 45,000                        |
| Phone                                | 18,244    | 17,215    | (1,029)                 | 77,679     | 103,292    | 25,613                  | 37.6%                             | 206,584                       |
| Furniture and equipment              | 630       | 5,000     | 4,370                   | 17,513     | 30,000     | 12,487                  | 29.2%                             | 60,000                        |
| Repairs and maintenance              | 9,825     | 7,500     | (2,325)                 | 54,473     | 45,000     | (9,473)                 | 60.5%                             | 90,000                        |
| Total Occupancy                      | 107,457   | 113,028   | 5,571                   | 630,044    | 678,168    | 48,124                  | 46.5%                             | 1,356,336                     |
| Insurance                            | 18,580    | 19,167    | 587                     | 120,434    | 115,000    | (5,434)                 | 52.4%                             | 230,000                       |
| Office/Travel/Other                  |           |           |                         |            |            |                         |                                   |                               |
| Office expense                       | 6,517     | 8,411     | 1,894                   | 58,732     | 50,464     | (8,268)                 | 58.2%                             | 100,928                       |
| Travel                               | 15,273    | 19,920    | 4,647                   | 75,478     | 119,520    | 44,042                  | 31.6%                             | 239,040                       |
| Legal                                | 57        | 1,667     | 1,610                   | 7,891      | 10,000     | 2,109                   | 39.5%                             | 20,000                        |
| Audit                                | 21,000    | 4,583     | (16,417)                | 40,027     | 27,500     | (12,527)                | 72.8%                             | 55,000                        |
| Other (PR, Conf, Training)           | 3,245     | 7,500     | 4,255                   | 14,404     | 45,000     | 30,596                  | 16.0%                             | 90,000                        |
| Total Office/Travel/Other            | 46,092    | 42,081    | (4,011)                 | 196,533    | 252,484    | 55,951                  | 38.9%                             | 504,968                       |
| Administrative / management          | 50,203    | 45,833    | (4,370)                 | 282,816    | 275,000    | (7,816)                 | 51.4%                             | 550,000                       |
| Total Lead Agency Costs              | 1,093,598 | 1,048,078 | (45,520)                | 6,292,459  | 6,288,467  | (3,992)                 | 50.0%                             | 12,576,934                    |

Communities Connected for Kids, Inc.  
Statement of Activities  
For the Month and Fiscal Year-to-Date ended December 31, 2024  
(unaudited and for internal use only)

|                                             | Dec-24           |                  |                         | YTD               |                   |                         | 50.00%                            | YTD                           |
|---------------------------------------------|------------------|------------------|-------------------------|-------------------|-------------------|-------------------------|-----------------------------------|-------------------------------|
|                                             | Actual           | Budget           | Fav (Unfav)<br>Variance | Actual            | Budget            | Fav (Unfav)<br>Variance | % of Actual<br>To Total<br>Budget | Approved<br>Budget<br>FY24-25 |
| <b>Contracted Services</b>                  |                  |                  |                         |                   |                   |                         |                                   |                               |
| <b>Case Management/Adoption</b>             |                  |                  |                         |                   |                   |                         |                                   |                               |
| Case management                             | 284,941          | 292,846          | 7,905                   | 1,558,678         | 1,757,077         | 198,398                 | 44.4%                             | 3,514,153                     |
| Adoption services                           | 71,690           | 75,000           | 3,310                   | 382,626           | 450,000           | 67,374                  | 42.5%                             | 900,000                       |
| <b>Total CM/Adoption</b>                    | <b>356,631</b>   | <b>367,846</b>   | <b>11,215</b>           | <b>1,941,304</b>  | <b>2,207,077</b>  | <b>265,773</b>          | <b>44.0%</b>                      | <b>4,414,153</b>              |
| Prevention and Intervention services        | 76,488           | 39,987           | (36,501)                | 487,223           | 239,920           | (247,303)               | 101.5%                            | 479,840                       |
| Diversion services                          | 46,190           | 50,000           | 3,810                   | 295,812           | 300,000           | 4,188                   | 49.3%                             | 600,000                       |
| Foster care administration                  | 145,541          | 147,277          | 1,736                   | 1,104,590         | 883,663           | (220,928)               | 62.5%                             | 1,767,325                     |
| <b>Total Contracted Services</b>            | <b>624,850</b>   | <b>605,110</b>   | <b>(19,740)</b>         | <b>3,828,930</b>  | <b>3,630,659</b>  | <b>(198,270)</b>        | <b>52.7%</b>                      | <b>7,261,318</b>              |
| <b>Out of Home</b>                          |                  |                  |                         |                   |                   |                         |                                   |                               |
| Foster home                                 | 106,103          | 108,333          | 2,230                   | 605,855           | 650,000           | 44,145                  | 46.6%                             | 1,300,000                     |
| Residential group care                      | 468,245          | 378,051          | (90,194)                | 2,727,759         | 2,268,306         | (459,453)               | 60.1%                             | 4,536,613                     |
| Clothing                                    | -                | 7,917            | 7,917                   | 71,940            | 47,500            | (24,440)                | 75.7%                             | 95,000                        |
| <b>Total Out of Home Care</b>               | <b>574,349</b>   | <b>494,301</b>   | <b>(80,048)</b>         | <b>3,405,554</b>  | <b>2,965,806</b>  | <b>(439,748)</b>        | <b>57.4%</b>                      | <b>5,931,613</b>              |
| <b>Independent Living</b>                   |                  |                  |                         |                   |                   |                         |                                   |                               |
| Room and board                              | 11,501           | 29,167           | 17,665                  | 71,919            | 175,000           | 103,081                 | 20.5%                             | 350,000                       |
| Services                                    | 29,657           | 25,833           | (3,824)                 | 170,856           | 155,000           | (15,856)                | 55.1%                             | 310,000                       |
| <b>Total Independent Living</b>             | <b>41,158</b>    | <b>55,000</b>    | <b>13,842</b>           | <b>242,775</b>    | <b>330,000</b>    | <b>87,225</b>           | <b>36.8%</b>                      | <b>660,000</b>                |
| <b>Client support services</b>              |                  |                  |                         |                   |                   |                         |                                   |                               |
| Children's mental health wraparound service | 5,428            | 21,108           | 15,680                  | 49,833            | 126,651           | 76,818                  | 19.7%                             | 253,301                       |
| Lab services                                | 19,338           | 17,917           | (1,421)                 | 84,482            | 107,500           | 23,018                  | 39.3%                             | 215,000                       |
| Other services                              | 25,409           | 25,125           | (284)                   | 223,753           | 150,750           | (73,003)                | 74.2%                             | 301,500                       |
| <b>Total Client support services</b>        | <b>50,175</b>    | <b>64,150</b>    | <b>13,975</b>           | <b>358,067</b>    | <b>384,901</b>    | <b>26,833</b>           | <b>46.5%</b>                      | <b>769,801</b>                |
| <b>Total Operating Expenses</b>             | <b>2,384,130</b> | <b>2,266,639</b> | <b>(117,491)</b>        | <b>14,127,784</b> | <b>13,599,833</b> | <b>(527,952)</b>        | <b>51.9%</b>                      | <b>27,199,665</b>             |
| <b>Other Expenses</b>                       | 1,936            | 2,500            | 564                     | 11,644            | 15,000            | 3,356                   | 38.8%                             | 30,000                        |
| <b>Total Expenses</b>                       | <b>2,386,066</b> | <b>2,269,139</b> | <b>(116,927)</b>        | <b>14,139,429</b> | <b>13,614,833</b> | <b>(524,596)</b>        | <b>51.9%</b>                      | <b>27,229,665</b>             |
| <b>Net operating surplus (deficit)</b>      | <b>(55,124)</b>  | <b>31,359</b>    | <b>147,372</b>          | <b>(412,411)</b>  | <b>188,156</b>    | <b>(448,625)</b>        | <b>-109.6%</b>                    | <b>376,312</b>                |

Communities Connected for Kids, Inc.  
Statement of Activities  
For the Month and Fiscal Year-to-Date ended December 31, 2024  
(unaudited and for internal use only)

|                                           | Dec-24    |           |                         | YTD        |            |                         | 50.00%                            | YTD                           |
|-------------------------------------------|-----------|-----------|-------------------------|------------|------------|-------------------------|-----------------------------------|-------------------------------|
|                                           | Actual    | Budget    | Fav (Unfav)<br>Variance | Actual     | Budget     | Fav (Unfav)<br>Variance | % of Actual<br>To Total<br>Budget | Approved<br>Budget<br>FY24-25 |
| <b>Maintenance Subsidies</b>              |           |           |                         |            |            |                         |                                   |                               |
| Revenue - Maintenance Adoption Subsidies  | 863,558   | 863,558   | -                       | 5,181,349  | 5,181,349  | -                       | 50.0%                             | 10,362,698                    |
| Revenue - Level 1 Licensed Care           | 79,301    | 79,301    | -                       | 475,806    | 475,806    | -                       | 50.0%                             | 951,611                       |
| Revenue - Guardianship Assistance Program | 63,814    | 63,814    | -                       | 382,886    | 382,886    | -                       | 50.0%                             | 765,771                       |
| Revenue - Child Care Subsidies            | 40,306    | 40,306    | -                       | 241,834    | 241,834    | -                       | 50.0%                             | 483,668                       |
| Total Revenue - Subsidies                 | 1,046,979 | 1,046,979 | -                       | 6,281,874  | 6,281,874  | -                       | 50.0%                             | 12,563,748                    |
| Expense - Maintenance Adoption Subsidies  | 839,040   | 863,558   | 24,518                  | 5,026,176  | 5,181,349  | 155,173                 | 48.5%                             | 10,362,698                    |
| Expense - Level 1 Licensed Care           | 51,152    | 79,301    | 28,149                  | 346,228    | 475,806    | 129,578                 | 36.4%                             | 951,611                       |
| Expense - Guardianship Assistance Program | 68,879    | 63,814    | (5,064)                 | 368,877    | 382,886    | 14,009                  | 48.2%                             | 765,771                       |
| Expense - Child Care Subsidies            | 30,920    | 40,306    | 9,386                   | 170,450    | 241,834    | 71,384                  | 35.2%                             | 483,668                       |
| Total Expense - Subsidies                 | 989,991   | 1,046,979 | 56,988                  | 5,911,730  | 6,281,874  | 370,144                 | 47.1%                             | 12,563,748                    |
| Net surplus (deficit) subsidies           | 56,988    | -         | 56,988                  | 370,144    | -          | 370,144                 |                                   | -                             |
| Gross Revenue                             | 3,377,921 | 3,347,477 | (30,444)                | 20,008,891 | 20,084,863 | 75,971                  | 49.8%                             | 40,169,725                    |
| Expenses                                  | 3,376,057 | 3,316,118 | (59,939)                | 20,051,159 | 19,896,707 | (154,452)               | 50.4%                             | 39,793,413                    |
| Net surplus (deficit)                     | 1,864     | 31,359    | (29,495)                | (42,267)   | 188,156    | (230,423)               | -11.2%                            | 376,312                       |

Communities Connected for Kids, Inc.  
Monthly Statement of Activities  
For the Fiscal Year-to-Date ended December 31, 2024  
(unaudited and for internal use only)

|                                      | Jul-24    | Aug-24    | Sep-24    | Oct-24    | Nov-24    | Dec-24    | Total             |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-------------------|
| <b>Revenue:</b>                      |           |           |           |           |           |           |                   |
| DCF Core Services                    | 2,046,148 | 2,046,148 | 2,046,148 | 2,046,148 | 2,046,148 | 2,025,569 | <b>12,256,309</b> |
| DCF IL                               | 101,887   | 101,887   | 101,887   | 101,887   | 101,887   | 101,887   | <b>611,321</b>    |
| DCF Other                            | 24,377    | 24,377    | 24,377    | 24,377    | 24,377    | 61,303    | <b>183,190</b>    |
| ESEP                                 | 80,796    | 80,796    | 80,796    | 80,796    | 80,796    | 80,796    | <b>484,775</b>    |
| DCF Total                            | 2,253,208 | 2,253,208 | 2,253,208 | 2,253,208 | 2,253,208 | 2,306,481 | <b>13,572,521</b> |
| Sunshine State Health Plan           | 24,486    | 24,906    | 24,949    | 23,631    | 23,086    | 23,604    | <b>144,662</b>    |
| Other                                | -         | 631       | 3,530     | 247       | 4,569     | 858       | <b>9,834</b>      |
| Total Revenue                        | 2,277,694 | 2,278,745 | 2,281,687 | 2,277,086 | 2,280,863 | 2,330,942 | <b>13,727,017</b> |
|                                      | -         | -         | -         | -         | -         | -         | -                 |
| <b>Expenses:</b>                     |           |           |           |           |           |           |                   |
| Lead Agency / System of Care Expense |           |           |           |           |           |           |                   |
| Salaries and wages                   |           |           |           |           |           |           |                   |
| Salaries                             | 625,241   | 628,330   | 628,403   | 660,242   | 629,468   | 654,278   | <b>3,825,962</b>  |
| Overtime                             | 12,289    | 10,262    | 10,332    | 13,462    | 9,461     | 11,759    | <b>67,565</b>     |
| Total Salaries & Wages               | 637,530   | 638,592   | 638,736   | 673,704   | 638,929   | 666,037   | <b>3,893,527</b>  |
| Employee benefits                    | 179,526   | 180,807   | 207,302   | 188,727   | 207,513   | 205,229   | <b>1,169,105</b>  |
| Occupancy                            |           |           |           |           |           |           |                   |
| Rent                                 | 75,120    | 78,400    | 77,250    | 76,783    | 77,033    | 77,133    | <b>461,719</b>    |
| Utilities                            | 3,304     | 4,112     | 4,191     | 3,964     | 1,465     | 1,625     | <b>18,661</b>     |
| Phone                                | 11,706    | 12,927    | 13,164    | 13,394    | 8,243     | 18,244    | <b>77,679</b>     |
| Furniture and equipment              | 5,193     | 5,375     | (3,720)   | 5,410     | 4,624     | 630       | <b>17,513</b>     |
| Repairs and maintenance              | 6,696     | 14,731    | 9,493     | 6,696     | 7,032     | 9,825     | <b>54,473</b>     |
| Total Occupancy                      | 102,019   | 115,545   | 100,377   | 106,248   | 98,398    | 107,457   | <b>630,044</b>    |
| Insurance                            | 16,420    | 16,420    | 16,420    | 16,420    | 36,176    | 18,580    | <b>120,434</b>    |
| Office/Travel/Other                  |           |           |           |           |           |           |                   |
| Office expense                       | 19,211    | 2,171     | 24,439    | 6,200     | 194       | 6,517     | <b>58,732</b>     |
| Travel                               | 7,989     | 16,763    | 13,058    | 13,051    | 9,345     | 15,273    | <b>75,478</b>     |
| Legal                                | 228       | 1,870     | 1,600     | 3,994     | 142       | 57        | <b>7,891</b>      |
| Audit                                | -         | -         | -         | 7,027     | 12,000    | 21,000    | <b>40,027</b>     |
| Other (PR, Conf, Training)           | 3,219     | 1,408     | 155       | 5,980     | 397       | 3,245     | <b>14,404</b>     |
| Total Office/Travel/Other            | 30,647    | 22,212    | 39,252    | 36,252    | 22,077    | 46,092    | <b>196,533</b>    |
| Administrative / management          | 46,885    | 46,953    | 47,097    | 46,948    | 44,729    | 50,203    | <b>282,816</b>    |
| Total Lead Agency Cos                | 1,013,027 | 1,020,530 | 1,049,184 | 1,068,298 | 1,047,823 | 1,093,598 | <b>6,292,459</b>  |

Communities Connected for Kids, Inc.  
Monthly Statement of Activities  
For the Fiscal Year-to-Date ended December 31, 2024  
(unaudited and for internal use only)

|                                          | Jul-24           | Aug-24           | Sep-24           | Oct-24           | Nov-24           | Dec-24           | Total             |
|------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| <b>Contracted Services</b>               |                  |                  |                  |                  |                  |                  |                   |
| Case Management/Adoption                 |                  |                  |                  |                  |                  |                  |                   |
| Case management                          | 272,359          | 236,773          | 273,122          | 239,038          | 252,446          | 284,941          | 1,558,678         |
| Adoption services                        | 79,813           | 66,409           | 60,347           | 55,730           | 48,637           | 71,690           | 382,626           |
| Total CM/Adoption                        | 352,172          | 303,182          | 333,469          | 294,767          | 301,083          | 356,631          | 1,941,304         |
| Prevention and Intervention services     | 88,813           | 83,970           | 98,823           | 49,914           | 89,216           | 76,488           | 487,223           |
| Diversion services                       | 54,305           | 53,699           | 49,365           | 46,190           | 46,063           | 46,190           | 295,812           |
| Foster care administration               | 248,696          | 255,174          | 250,739          | 97,443           | 106,997          | 145,541          | 1,104,590         |
| Total Contracted Services                | 743,985          | 696,025          | 732,396          | 488,314          | 543,359          | 624,850          | 3,828,930         |
| <b>Out of Home</b>                       |                  |                  |                  |                  |                  |                  |                   |
| Foster home                              | 96,844           | 97,448           | 99,622           | 106,013          | 99,826           | 106,103          | 605,855           |
| Residential group care                   | 469,549          | 453,517          | 400,738          | 477,141          | 458,568          | 468,245          | 2,727,759         |
| Clothing                                 | -                | 69,100           | 1,250            | 1,590            | -                | -                | 71,940            |
| Total Out of Home Care                   | 566,393          | 620,065          | 501,610          | 584,744          | 558,394          | 574,349          | 3,405,554         |
| <b>Independent Living</b>                |                  |                  |                  |                  |                  |                  |                   |
| Room and board                           | 8,183            | 14,719           | 8,301            | 13,731           | 15,484           | 11,501           | 71,919            |
| Services                                 | 24,293           | 26,217           | 34,817           | 26,217           | 29,657           | 29,657           | 170,856           |
| Total Independent Living                 | 32,475           | 40,935           | 43,117           | 39,948           | 45,140           | 41,158           | 242,775           |
| <b>Client support services</b>           |                  |                  |                  |                  |                  |                  |                   |
| Children's mental health wraparound s    | 8,277            | 14,322           | 9,817            | 9,059            | 2,929            | 5,428            | 49,833            |
| Lab services                             | 6,174            | 19,039           | 12,368           | 19,163           | 8,400            | 19,338           | 84,482            |
| Other services                           | 36,549           | 49,197           | 36,778           | 49,534           | 26,286           | 25,409           | 223,753           |
| Total Client support services            | 51,000           | 82,559           | 58,963           | 77,756           | 37,615           | 50,175           | 358,067           |
| Total Operating Expenses                 | 2,406,881        | 2,460,113        | 2,385,270        | 2,259,060        | 2,232,330        | 2,384,130        | 14,127,784        |
| <b>Other Expenses</b>                    | 1,896            | 2,045            | 1,937            | 1,915            | 1,915            | 1,936            | 11,644            |
| Total Expenses                           | 2,408,777        | 2,462,158        | 2,387,207        | 2,260,975        | 2,234,245        | 2,386,066        | 14,139,429        |
| <b>Net operating surplus (deficit)</b>   | <b>(131,083)</b> | <b>(183,413)</b> | <b>(105,520)</b> | <b>16,111</b>    | <b>46,618</b>    | <b>(55,124)</b>  | <b>(412,411)</b>  |
| <b>Maintenance Subsidies</b>             |                  |                  |                  |                  |                  |                  |                   |
| Revenue - Maintenance Adoption Subsid    | 863,558          | 863,558          | 863,558          | 863,558          | 863,558          | 863,558          | \$ 5,181,349      |
| Revenue - Level 1 Licensed Care          | 79,301           | 79,301           | 79,301           | 79,301           | 79,301           | 79,301           | 475,806           |
| Revenue - Guardianship Assistance Progra | 63,814           | 63,814           | 63,814           | 63,814           | 63,814           | 63,814           | 382,886           |
| Revenue - Child Care Subsidies           | 40,306           | 40,306           | 40,306           | 40,306           | 40,306           | 40,306           | 241,834           |
| Total Revenue - Subsidies                | 1,046,979        | 1,046,979        | 1,046,979        | 1,046,979        | 1,046,979        | 1,046,979        | 6,281,874         |
| Expense - Maintenance Adoption Subsid    | 838,787          | 843,135          | 835,566          | 836,561          | 833,087          | 839,040          | 5,026,176         |
| Expense - Level 1 Licensed Care          | 60,362           | 59,076           | 60,584           | 57,866           | 57,188           | 51,152           | 346,228           |
| Expense - Guardianship Assistance Progra | 57,616           | 59,327           | 51,403           | 64,552           | 67,101           | 68,879           | 368,877           |
| Expense - Child Care Subsidies           | 37,903           | 7,077            | 32,447           | 31,083           | 31,020           | 30,920           | 170,450           |
| Total Expense - Subsidies                | 994,668          | 968,614          | 979,999          | 990,062          | 988,395          | 989,991          | 5,911,730         |
| Net Income - Subsidies                   | 52,311           | 78,365           | 66,980           | 56,917           | 58,584           | 56,988           | 370,144           |
| <b>Gross Revenue</b>                     | <b>3,324,673</b> | <b>3,325,724</b> | <b>3,328,666</b> | <b>3,324,065</b> | <b>3,327,842</b> | <b>3,377,921</b> | <b>20,008,891</b> |
| <b>Expenses (incl MAS)</b>               | <b>3,403,445</b> | <b>3,430,772</b> | <b>3,367,206</b> | <b>3,251,038</b> | <b>3,222,640</b> | <b>3,376,057</b> | <b>20,051,159</b> |
| <b>Net Income (loss)</b>                 | <b>(78,772)</b>  | <b>(105,048)</b> | <b>(38,540)</b>  | <b>73,027</b>    | <b>105,201</b>   | <b>1,864</b>     | <b>(42,267)</b>   |

**Communities Connected for Kids, Inc.**  
**Audit for the Years Ended June 30, 2024 and 2023**

**Required Communications**

- Our Responsibility in Relation to Financial Statement Audit
- Significant risks identified during planning- Improper revenue recognition due to fraud, Improperly coding expenditures to manipulate carryover, Management override of internal controls
- Significant Accounting Policies- No changes
- Significant Estimates – None
- Financial Statements Disclosures – Note 5 regarding child welfare trust and Note 6 regarding significant funding source
- No significant corrected or uncorrected misstatements
- Significant Difficulties Performing Audit, Disagreements with Management –None

**Audit Reports**

- Report on Financial Statements (pages 1-3): Unmodified Opinion
- Report on Internal Control and Compliance (pages 18-19): In compliance with requirements
- Report on Compliance for Major Federal Programs (pages 20-22): In compliance with requirements

**Financial Highlights**

- Grants and contracts receivable decrease of about \$1.5MM due to prior year back of the bill funding risk pool funding received in PY rebuild surplus. This also reduced the refundable advance (carryforward) by about \$1.4 MM
- Addition of financing lease right-of-use asset and corresponding liability
- Interest in CBCIH have been sold, eliminating \$50k in other non-current assets
- Fixed assets are now all fully depreciated and have been removed from notes to financial statements
- Revenues and Expenses – Overall increase of about \$550k in each, remained very comparable.
- Net Assets - \$1.87MM without donor restriction (increase of \$218k)
- Schedule of Findings and Questioned Costs- Summary at Page 23

**COMMUNITIES CONNECTED FOR KIDS, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2024 AND 2023**

DRAFT

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
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**JUNE 30, 2024 AND 2023**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors,  
Communities Connected for Kids, Inc.:

### Report on the Financial Statements

#### *Opinion*

We have audited the financial statements of Communities Connected for Kids, Inc., which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Communities Connected for Kids, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Communities Connected for Kids, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Emphasis of Matter – Change in Accounting Principle*

As discussed in Note (1)(n) to the financial statements, effective July 1, 2023, Communities Connected for Kids, Inc. adopted new accounting guidance for credit losses. There was no effect on beginning net assets. Our opinion is not modified with respect to this matter.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Communities Connected for Kids, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Communities Connected for Kids, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Communities Connected for Kids, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.650 Rules

of the Auditor General, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2024 on our consideration of Communities Connected for Kids, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Communities Connected for Kids, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Communities Connected for Kids, Inc.'s internal control over financial reporting and compliance.

*James Moore & Co., P.L.*

Gainesville, Florida  
December 17, 2024

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2024 AND 2023**

|                                                                  | <u>2024</u>         | <u>2023</u>          |
|------------------------------------------------------------------|---------------------|----------------------|
| <b><u>ASSETS</u></b>                                             |                     |                      |
| <b>Current assets</b>                                            |                     |                      |
| Cash and cash equivalents                                        | \$ 4,329,711        | \$ 4,178,279         |
| Grants and contracts receivable                                  | 682,481             | 2,177,461            |
| Prepaid expenses                                                 | 331,609             | 260,362              |
| Total current assets                                             | 5,343,801           | 6,616,102            |
| <b>Operating lease right of use asset, net</b>                   | 3,518,568           | 3,242,074            |
| <b>Finance lease right of use asset, net</b>                     | 161,688             | -                    |
| <b>Deposits</b>                                                  | 39,520              | 76,020               |
| <b>Restricted cash and cash equivalents - Client trust funds</b> | 316,384             | 196,059              |
| <b>Other non-current assets</b>                                  | -                   | 50,000               |
| <b>Total Assets</b>                                              | <u>\$ 9,379,961</u> | <u>\$ 10,180,255</u> |
| <b><u>LIABILITIES AND NET ASSETS</u></b>                         |                     |                      |
| <b>Current liabilities</b>                                       |                     |                      |
| Accounts payable and accrued expenses                            | \$ 2,759,901        | \$ 3,221,375         |
| Due to The Devereux Foundation                                   | 493,283             | 381,497              |
| Refundable advance - grants                                      | 86,015              | 1,421,550            |
| Current portion of operating lease liability                     | 836,112             | 603,138              |
| Current portion of financing lease liability                     | 34,988              | -                    |
| Total current liabilities                                        | 4,210,299           | 5,627,560            |
| <b>Long-term liabilities</b>                                     |                     |                      |
| Operating lease liability, less current portion                  | 2,767,797           | 2,706,557            |
| Financing lease liability, less current portion                  | 129,139             | -                    |
| Client trust funds                                               | 316,384             | 196,059              |
| Total long-term liabilities                                      | 3,213,320           | 2,902,616            |
| <b>Total liabilities</b>                                         | <u>7,423,619</u>    | <u>8,530,176</u>     |
| <b>Net assets without donor restrictions</b>                     |                     |                      |
| Undesignated                                                     | 1,879,995           | 1,717,700            |
| Invested in property and equipment                               | 76,347              | (67,621)             |
| Total net assets without donor restrictions                      | 1,956,342           | 1,650,079            |
| <b>Total Liabilities and Net Assets</b>                          | <u>\$ 9,379,961</u> | <u>\$ 10,180,255</u> |

The accompanying notes to the financial statements  
are an integral part of these statements.

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

|                                                                  | <u>2024</u>                | <u>2023</u>                |
|------------------------------------------------------------------|----------------------------|----------------------------|
| <b>Revenues</b>                                                  |                            |                            |
| Grants and contracts                                             | \$ 41,285,702              | \$ 40,689,577              |
| Contributions                                                    | 24,698                     | 15,485                     |
| Consulting fees                                                  | 269,952                    | 308,214                    |
| Loss on sale of investment                                       | (20,000)                   | -                          |
| Other                                                            | 67,314                     | -                          |
| Total revenues                                                   | <u>41,627,666</u>          | <u>41,013,276</u>          |
| <b>Expenses</b>                                                  |                            |                            |
| Program services                                                 | 38,159,638                 | 37,750,877                 |
| Management and general                                           | 3,161,765                  | 3,118,983                  |
| Total expenses                                                   | <u>41,321,403</u>          | <u>40,869,860</u>          |
| <b>Increase in net assets without donor restriction</b>          | <u>306,263</u>             | <u>143,416</u>             |
| <b>Net assets</b> , without donor restriction, beginning of year | 1,650,079                  | 1,506,663                  |
| <b>Net assets</b> , without donor restriction, end of year       | <u><u>\$ 1,956,342</u></u> | <u><u>\$ 1,650,079</u></u> |

The accompanying notes to the financial statements  
are an integral part of these statements.

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2024**

|                                | <u>Program<br/>Services</u> | <u>Management<br/>and General</u> | <u>Total</u>         |
|--------------------------------|-----------------------------|-----------------------------------|----------------------|
| Bank Charges                   | \$ -                        | \$ 23,347                         | \$ 23,347            |
| Amortization                   | 21,423                      | 3,452                             | 24,875               |
| Employee Benefits              | 1,700,822                   | 476,310                           | 2,177,132            |
| Insurance                      | -                           | 194,371                           | 194,371              |
| Interest                       | 4,647                       | 749                               | 5,396                |
| Operating lease expense        | 802,641                     | 129,313                           | 931,954              |
| Occupancy                      | 343,068                     | 55,272                            | 398,340              |
| Office                         | 51,313                      | 5,072                             | 56,385               |
| Other                          | 51,818                      | 52,213                            | 104,031              |
| Public Relations & Advertising | 28,617                      | 2,079                             | 30,696               |
| Purchased Services:            |                             |                                   |                      |
| Foster Care                    | 2,158,437                   | -                                 | 2,158,437            |
| Case Management                | 4,856,639                   | -                                 | 4,856,639            |
| Adoptions                      | 11,917,689                  | -                                 | 11,917,689           |
| Outpatient                     | 746,522                     | -                                 | 746,522              |
| Independent Living             | 288,960                     | -                                 | 288,960              |
| Residential & Group Care       | 8,339,697                   | -                                 | 8,339,697            |
| Ancillary & Administrative     | -                           | 502,880                           | 502,880              |
| Other                          | 474,284                     | 2,741                             | 477,025              |
| Salaries & Wages               | 6,135,821                   | 1,708,305                         | 7,844,126            |
| Supplies                       | 237,240                     | 5,661                             | 242,901              |
| Total expenses                 | <u>\$ 38,159,638</u>        | <u>\$ 3,161,765</u>               | <u>\$ 41,321,403</u> |

The accompanying notes to the financial statements  
are an integral part of this statement.

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

|                                | <u>Program<br/>Services</u> | <u>Management<br/>and General</u> | <u>Total</u>         |
|--------------------------------|-----------------------------|-----------------------------------|----------------------|
| Bank Charges                   | \$ 515                      | \$ 23,992                         | \$ 24,507            |
| Depreciation                   | 2,799                       | -                                 | 2,799                |
| Employee Benefits              | 1,522,113                   | 444,135                           | 1,966,248            |
| Insurance                      | -                           | 180,465                           | 180,465              |
| Operating lease expense        | 584,710                     | 112,265                           | 696,975              |
| Occupancy                      | 851,022                     | 163,397                           | 1,014,419            |
| Office                         | 76,093                      | 3,017                             | 79,110               |
| Other                          | 84,410                      | 42,790                            | 127,200              |
| Public Relations & Advertising | 54,471                      | 5,774                             | 60,245               |
| Purchased Services:            |                             |                                   |                      |
| Foster Care                    | 2,730,105                   | -                                 | 2,730,105            |
| Case Management                | 5,006,878                   | -                                 | 5,006,878            |
| Adoptions                      | 11,369,478                  | -                                 | 11,369,478           |
| Outpatient                     | 726,265                     | -                                 | 726,265              |
| Independent Living             | 323,384                     | -                                 | 323,384              |
| Residential & Group Care       | 7,840,229                   | -                                 | 7,840,229            |
| Ancillary & Administrative     | -                           | 525,540                           | 525,540              |
| Other                          | 507,829                     | 3,705                             | 511,534              |
| Salaries & Wages               | 5,853,735                   | 1,611,175                         | 7,464,910            |
| Supplies                       | 216,841                     | 2,728                             | 219,569              |
| Total expenses                 | <u>\$ 37,750,877</u>        | <u>\$ 3,118,983</u>               | <u>\$ 40,869,860</u> |

The accompanying notes to the financial statements  
are an integral part of this statement.

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

|                                                                                                                      | <u>2024</u>         | <u>2023</u>         |
|----------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Cash flows from operating activities</b>                                                                          |                     |                     |
| Increase in net assets without donor restriction                                                                     | \$ 306,263          | \$ 143,416          |
| Adjustments to reconcile increase in unrestricted net assets to net cash provided by (used in) operating activities: |                     |                     |
| Depreciation                                                                                                         | -                   | 2,799               |
| Amortization of right-of- use asset                                                                                  | 842,693             | -                   |
| Change in assets and liabilities:                                                                                    |                     |                     |
| Accounts receivable                                                                                                  | 1,494,980           | (2,177,461)         |
| Prepaid expenses                                                                                                     | (71,247)            | (33,187)            |
| Deposits                                                                                                             | 36,500              | (39,279)            |
| Other assets - Child Welfare Trust                                                                                   | 50,000              | -                   |
| Refundable advance - grants                                                                                          | (1,335,534)         | (1,135,959)         |
| Accounts payable and accrued expenses                                                                                | (461,475)           | (173,906)           |
| Due to The Devereux Foundation                                                                                       | 111,786             | (65,399)            |
| Client trust funds                                                                                                   | 120,325             | 21,590              |
| Operating lease liabilities                                                                                          | (800,098)           | 67,621              |
| Total adjustments                                                                                                    | (12,070)            | (3,533,181)         |
| Net cash (used in) provided by operating activities                                                                  | <u>294,193</u>      | <u>(3,389,765)</u>  |
| <b>Cash flows from financing activities</b>                                                                          |                     |                     |
| Principal payments on finance lease liability                                                                        | (22,436)            | -                   |
| <b>Net change in cash and cash equivalents</b>                                                                       | <u>271,757</u>      | <u>(3,389,765)</u>  |
| <b>Cash and cash equivalents, beginning of period</b>                                                                | 4,374,338           | 7,764,103           |
| <b>Cash and cash equivalents, end of period</b>                                                                      |                     |                     |
| (Including \$316,384 and \$196,059 reported in restricted accounts at June 30, 2024 and 2023, respectively)          | <u>\$ 4,646,095</u> | <u>\$ 4,374,338</u> |
| <b>Supplemental disclosure of non-cash investing and financing activities</b>                                        |                     |                     |
| Right-of-use assets obtained in exchange for financing lease obligations                                             | \$ 186,563          | \$ -                |
| Right-of-use assets obtained in exchange for operating lease obligations                                             | <u>\$ 1,094,312</u> | <u>\$ 3,836,967</u> |

The accompanying notes to the financial statements  
are an integral part of these statements.

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

(1) **Summary of Significant Accounting Policies:**

(a) **General**—Devereux Community Based Care, Inc., a Florida not-for-profit corporation (the Organization), was formed on September 5, 2012, and started operations on November 1, 2013. The Organization has been operating under a contract with the Florida Department of Children and Families (DCF) to administer, integrate, coordinate, and assure the delivery of child protection services, emergency shelter, in-home protective services, relative care placements, foster care, foster care supervision, intensive residential treatment, independent living, family reunification, and adoption and appropriate related services in Indian River, Martin, Okeechobee and St. Lucie counties. Effective July 1, 2018, Devereux Community Based Care, Inc. changed its name to Communities Connected for Kids, Inc.

(b) **Basis of financial reporting**—The Organization's financial statements have been prepared on the accrual basis. The Organization is required to report information regarding its financial position and activities according to two classes of net assets:

*Net assets without donor restrictions*—Net assets that are not subject to donor-imposed restrictions.

*Net assets with donor restrictions*—Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time and net assets subject to donor-imposed stipulations that will not be met by either actions of the Organization or the passage of time.

The Organization has no net assets with donor restrictions at June 30, 2024 and 2023, and all support and revenue is considered without donor restriction for the years ended June 30, 2024 and 2023.

(c) **Contributions**—Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the financial statements as net assets released from restrictions. Contributions received with purpose or time restrictions that are met in the same reporting period are reported as donations and increase net assets without donor restrictions. Contributed property and equipment is recorded at fair value at the date of donation. We recognize contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

A significant portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as without donor restricted grant revenue when we have met performance requirements and incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures or meeting other conditional performance requirement barriers are reported as refundable advances in the statement of financial position. The Organization received amounts in advance under state and local contracts and grants of \$86,015 and \$1,421,550 that have not been recognized at June 30, 2024 and 2023, respectively, because qualifying expenditures have not yet been incurred.

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Cash and cash equivalents**—The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

(e) **Restricted cash and cash equivalents**—Restricted cash and cash equivalents include Social Security client trust funds held by the Organization for current needs for children receiving protection, shelter and supervision services. These funds are required to be maintained in a separate bank account.

(f) **Grants and Contracts receivable**—Grants and contracts receivable consist of amounts due to the Organization from governmental units under the terms of various grant contracts. Due to the nature of these agencies, no allowance for uncollectible amounts has been established.

(g) **Income taxes**—The Organization is a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is reflected in the accompanying financial statements.

The Organization files income tax returns in the U.S. federal jurisdiction. The Organization's income tax return for the past year three years are subject to examination by tax authorities, and may change upon examination. The Organization has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Organization.

(h) **Use of estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual amounts could differ from those estimates.

(i) **Property and equipment**—Property and equipment acquired by the Organization is owned by the Organization. However, funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The State of Florida has a reversionary interest in those assets purchased with its funds that have a cost of \$1,000 or more and an estimated useful life of at least one year. The Federal Government has a reversionary interest in those assets purchased with its funds that have a cost of \$5,000 or more and an estimated useful life of at least one year.

Property and equipment with a value greater than \$1,000 and an estimated useful life of at least one year is recorded at cost when purchased or at estimated fair value when contributed. Depreciation is computed using the straight-line method over the estimate useful life of the assets, ranging from three to seven years. Repairs and maintenance are expensed as incurred.

(j) **Functional allocation of expenses**—The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs are allocated based on the approved DCF cost allocation plan.

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

(1) **Summary of Significant Accounting Policies:** (Continued)

(k) **Subsequent events**—The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through December 17, 2024, the date the financial statements were available to be issued, noting none.

(l) **Donated services and materials**—Contributed services that qualify as specialized services and donated items are recorded at their estimated fair value at the date of receipt. Volunteer services provided to the Organization to carry out its mission do not meet the criteria used to record donated services; therefore, they have not been recorded in the financial statements.

(m) **Leases**—The Organization leases office equipment and commercial building space. The Organization determines if an arrangement is a lease at inception. Operating leases are reflected as an operating lease right-of-use (ROU) asset and operating lease liabilities on the Organization's statement of financial position. ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the Organization's leases do not provide an implicit rate, the Organization uses the risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants. In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if it has obtained substantially all of the rights to the underlying asset through exclusivity, if it can direct the use of the asset by making decisions about how and for what purpose the asset will be used, and if the lessor has substantive substitution rights. This evaluation may require significant judgment. The Company has lease agreements with lease and non-lease components, which are generally accounted for separately. For certain leases, such as office space, the Company accounts for the lease and non-lease components as a single lease component. For arrangements accounted for as a single lease component, there may be variability in future lease payments as the amount of the non-lease components is typically revised from one period to the next. These variable lease payments, which are primarily comprised of common area maintenance, are recognized in operating expenses in the period in which the obligation for those payments was incurred.

(n) **Recently issued accounting pronouncements**—The Financial Accounting Standards Board (FASB) and other entities issue new or modifications to, or interpretations of existing accounting guidance during the year ended June 30, 2024, and earlier years. The Organization has considered the new pronouncements that altered accounting principles generally accepted in the United States of America, and other than as disclosed in the notes to the financial statements below, does not believe that any other new or modified principles will have a material impact on the Organization's reported financial position or operations in the near term.

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

(1) **Summary of Significant Accounting Policies:** (Continued)

(n) **Recently issued accounting pronouncements** (Continued) — In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were accounts receivables.

The Organization adopted the standard effective July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures.

(2) **Contingencies:**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government and the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although Communities Connected for Kids, Inc. expects such amounts, if any, to be immaterial.

(3) **Concentration of Credit Risk:**

Significant concentrations of credit risk for all financial instruments owned by the Organization for the year ended June 30, 2024, are as follows:

(a) **Cash in bank**—The Organization has demand deposits with a regional bank amounting to \$4,913,470 and \$4,659,664 at June 30, 2024 and 2023, respectively. Uninsured balances totaled \$4,207,018 and \$4,122,357 at June 30, 2024 and 2023, respectively. Custodial credit risk for deposits is the risk that in the event of a bank failure, the Organization's deposits may not be returned. The Organization's deposits at each financial institution are federally insured by FDIC up to \$250,000.

(4) **Liquidity Resources:**

The table below presents financial assets and liquidity resources available for general expenditures within one year:

|                                                                                        | <u>2024</u>         | <u>2023</u>         |
|----------------------------------------------------------------------------------------|---------------------|---------------------|
| Financial assets available within one year, at year end:                               |                     |                     |
| Cash and cash equivalents                                                              | \$ 4,329,711        | \$ 4,178,279        |
| Grants and contracts receivable                                                        | 682,481             | 2,177,461           |
| Financial assets available to meet cash needs for general expenditures within one year | <u>\$ 5,012,192</u> | <u>\$ 6,355,740</u> |

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**(4) Liquidity Resources:** (Continued)

As shown in the table above, the Organization has adequate financial assets available to meet liquidity needs. The Organization receives significant grant funds each year, which are entirely available to meet annual cash needs for general and program expenditures as the Organization has no donor restricted or designated net assets. The Organization is reliant on this grant funding to meet liquidity needs, as discussed in Note 7.

**(5) Other Assets – Child Welfare Trust:**

The Child Welfare Trust (the “Trust”) was formed by limited partners and is a risk pool formed to provide assets to meet the obligations of the prepaid mental health program. Each partner made an initial contribution to the Trust at the time they began participating in the partnership. The Organization made an initial contribution of \$50,000 in the year ended June 30, 2014, and is included in other non-current assets on the accompanying statements of financial position. The Organization shares in this risk pool based on their respective ownership percentage. The Organization may be required to fund the risk pool on an annual basis based on the medical loss ratio. Quarterly, the general partner makes a determination whether the assets held in the risk pool are sufficient to meet the obligations of the prepaid mental health program in the Organization’s service areas. If funding of the risk pool is required, the Organization may be required to utilize unrestricted funds as it is not a chargeable expense under the grant agreement with the State of Florida, Department of Children and Families as discussed in Note 1(a).

Investments in equity securities of nonpublic entities without readily determinable fair values are carried at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. The Organization reviews its equity securities without readily determinable fair values on a regular basis to determine if the investment is impaired. For purposes of this assessment, the Organization considers the investee’s cash position, earnings and revenue outlook, liquidity and management ownership, among other factors, in its review. If management’s assessment indicates that an impairment exists, the Organization estimates the fair value of the equity investment and recognizes in current earnings an impairment loss that is equal to the difference between the fair value of the equity investment and its carrying amount. There was no deemed impairment for the years ended June 30, 2024 and 2023. For the years ended June 30, 2024 and 2023, the Organization was not required to make any additional contributions. For the year ended June 30, 2024, the Organization did not receive any distributions from the trust. For the year ended June 30, 2023, the Organization received distributions from the trust of approximately \$49,000, which is included in other revenue in the accompanying financial statements. In November 2023, the Organization sold its ownership back to the investee at a purchase price of \$30,000 and recognized a loss on the sale of \$20,000 for the year ended June 30, 2024, which is also included on the statement of financial position.

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**(6) Significant Funding Source:**

For the year ended June 30, 2024, the Organization received approximately 45% of its funding from the U.S. Department of Health and Human Services that is passed through the State of Florida Department of Children and Families and approximately 54% of its funding directly from the State of Florida Department of Children and Families. For the year ended June 30, 2023, the Organization received approximately 47% of its funding from the U.S. Department of Health and Human Services that is passed through the State of Florida Department of Children and Families and approximately 52% of its funding directly from the State of Florida Department of Children and Families. A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the Organization's programs and activities.

**(7) Operating Leases:**

The Organization has operating and finance leases for office equipment (commercial copiers) and buildings, which have remaining lease terms expiring in fiscal year 2028. As of June 30, 2024 assets recorded under finance lease were \$161,688 and accumulated amortization associated with finance leases was \$24,875. At June 30, 2023, there were no assets recorded under finance lease and no associated accumulated amortization.

The components of lease expense for the years ended June 30 are as follows:

|                                     | <u>2024</u>       | <u>2023</u>       |
|-------------------------------------|-------------------|-------------------|
| Operating lease cost                | \$ 931,954        | \$ 696,975        |
| Amortization of right-of-use assets | 24,875            | -                 |
| Interest on lease liabilities       | 5,396             | -                 |
|                                     | <u>\$ 962,225</u> | <u>\$ 696,975</u> |

Other information related to leases for the years ended June 30, 2024 and 2023 is as follows:

|                                                                         | <u>2024</u> | <u>2023</u> |
|-------------------------------------------------------------------------|-------------|-------------|
| Cash paid for amounts included in the measurement of lease liabilities: |             |             |
| Operating cash flows from operating leases                              | \$ 895,454  | \$ 629,354  |
| Operating cash flows from finance leases                                | 4,760       | -           |
| Financing cash flows from finance leases                                | 19,593      | -           |
| ROU assets obtained in exchange for new operating lease liabilities     | 1,075,533   | 3,836,967   |
| ROU assets obtained in exchange for new finance leases                  | 183,084     | -           |
| Weighted-average remaining lease term—operating leases                  | 4.00 years  | 5.00 years  |
| Weighted-average remaining lease term—finance leases                    | 4.33 years  | -           |
| Weighted-average discount rate—operating leases                         | 2.88%       | 2.88%       |
| Weighted-average discount rate—finance leases                           | 4.67%       | -           |

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

(7) **Operating Leases:** (Continued)

Future minimum lease payments under non-cancellable leases as of June 30, 2024 were as follows:

| <u>Year Ending June 30,</u>   | <u>Operating</u>    | <u>Finance</u>    |
|-------------------------------|---------------------|-------------------|
| 2025                          | \$ 926,701          | \$ 41,748         |
| 2026                          | 946,457             | 41,748            |
| 2027                          | 959,646             | 41,748            |
| 2028                          | 980,351             | 41,748            |
| 2029                          | -                   | 13,916            |
| Thereafter                    | -                   | -                 |
| Total undiscounted cash flows | 3,813,155           | 180,908           |
| Less: present value discount  | (209,246)           | (16,781)          |
| Total lease liabilities       | <u>\$ 3,603,909</u> | <u>\$ 164,127</u> |

(8) **Retirement Plan:**

The Organization, through its affiliation with Devereux, participates in several employee benefit plans administered by Devereux, including a defined contribution retirement plan covering all eligible employees, which is administered by TIAA. To be eligible for an employer contribution, an employee must have completed two years of service, work a minimum of 1,000 hours annually, and be active at the end of the plan year (December 31). Contributions to the plan are generally based on 5% of the employee's compensation, plus a match of employee contributions up to 2% of compensation, and are made annually each January. These contributions are credited to individual annuity contracts owned by each participant and are charged to expense when earned. Contribution expense was \$381,508 and \$364,407 in 2024 and 2023, respectively.

(9) **Litigation:**

The Organization is subject to certain claims and contracts arising in the normal course of its activities. After consultation with legal counsel, at this time management has no reason to believe resolution of these matters will have a material adverse effect on the Organization's future financial position or results from operations.

**COMMUNITIES CONNECTED FOR KIDS, INC.**

**ADDITIONAL INFORMATION**

**FOR THE YEAR ENDED JUNE 30, 2024**

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**COMMUNITIES CONNECTED FOR KIDS, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2024**

| Federal Grantor, Pass-Through Grantor, State Grantor<br>Program Title                  | 2024<br>Federal<br>AL<br>Number | 2023<br>State<br>CSFA<br>Number | Pass-Through<br>Entity<br>Identifying Number | Passed<br>Through to<br>Subrecipients | Expenditures  |
|----------------------------------------------------------------------------------------|---------------------------------|---------------------------------|----------------------------------------------|---------------------------------------|---------------|
| <b>FEDERAL AWARDS</b>                                                                  |                                 |                                 |                                              |                                       |               |
| <b>U. S. Department of Agriculture:</b>                                                |                                 |                                 |                                              |                                       |               |
| SNAP Cluster:                                                                          |                                 |                                 |                                              |                                       |               |
| Passed through State of Florida                                                        |                                 |                                 |                                              |                                       |               |
| State Administrative Matching Grants for The Supplemental Nutrition Assistance Program | 10.561                          | --                              | ZJK85                                        | \$ -                                  | \$ 5,529      |
| Total SNAP Cluster                                                                     |                                 |                                 |                                              | -                                     | 5,529         |
| <b>Total U.S. Department of Agriculture</b>                                            |                                 |                                 |                                              | -                                     | 5,529         |
| <b>U. S. Department of Health and Human Services:</b>                                  |                                 |                                 |                                              |                                       |               |
| Passed through State of Florida                                                        |                                 |                                 |                                              |                                       |               |
| Guardianship Assistance                                                                | 93.090                          | --                              | ZJK85                                        | -                                     | 220,895       |
| Promoting Safe and Stable Families                                                     | 93.556                          | --                              | ZJK85                                        | 627,350                               | 1,781,660     |
| Temporary Assistance for Needy Families                                                | 93.558                          | --                              | ZJK85                                        | 726,330                               | 3,548,199     |
| Community Based Family Resource and Support Grants                                     | 93.59                           | --                              | ZJK85                                        | -                                     | 59,910        |
| Chafee Education and Training Vouchers Program (ETV)                                   | 93.599                          | --                              | ZJK85                                        | -                                     | 69,242        |
| Stephanie Tubbs Jones Child Welfare Services Program                                   | 93.645                          | --                              | ZJK85                                        | 130,840                               | 387,454       |
| Foster Care-Title IV-E                                                                 | 93.658                          | --                              | ZJK85                                        | 2,082,239                             | 5,131,862     |
| Adoption Assistance                                                                    | 93.659                          | --                              | ZJK85                                        | 495,941                               | 6,217,470     |
| Social Services Block Grant                                                            | 93.667                          | --                              | ZJK85                                        | 217,872                               | 776,155       |
| Child Abuse and Neglect State Grants                                                   | 93.669                          | --                              | ZJK85                                        | 34,570                                | 25,324        |
| Chafee Foster Care Independence Program                                                | 93.674                          | --                              | ZJK85                                        | 5,800                                 | 167,422       |
| Grants to States for Access and Visitation Programs                                    | 93.597                          |                                 | ZJK85                                        |                                       | 31,672        |
| Medical Cluster                                                                        |                                 |                                 |                                              |                                       |               |
| Passed through State of Florida                                                        |                                 |                                 |                                              |                                       |               |
| Medical Assistance Program                                                             | 93.778                          | --                              | ZJK85                                        | -                                     | 396,814       |
| Total Medical Cluster                                                                  |                                 |                                 |                                              | -                                     | 396,814       |
| <b>Total U.S. Department of Health and Human Services</b>                              |                                 |                                 |                                              | 4,320,942                             | 18,814,079    |
| <b>Total Expenditures of Federal Awards</b>                                            |                                 |                                 |                                              | 4,320,942                             | 18,819,608    |
| <b>STATE FINANCIAL ASSISTANCE</b>                                                      |                                 |                                 |                                              |                                       |               |
| <b>State of Florida, Department of Children and Families:</b>                          |                                 |                                 |                                              |                                       |               |
| Out of Home Supports                                                                   | --                              | 60.074                          | ZJK85                                        | 1,046,287                             | 4,170,312     |
| Adoption Services                                                                      | --                              | 60.076                          | ZJK85                                        | -                                     | 274,728       |
| Independent Living                                                                     | --                              | 60.112                          | ZJK85                                        | -                                     | 25,245        |
| Sexually Exploited Children                                                            | --                              | 60.138                          | ZJK85                                        | -                                     | 161,697       |
| Extended Foster Care Program                                                           | --                              | 60.141                          | ZJK85                                        | 23,940                                | 159,875       |
| Purchase Therapeutic Services for Children                                             | --                              | 60.183                          | ZJK85                                        | 166,437                               | 166,486       |
| Family Finders Program                                                                 | --                              | 60.206                          | ZJK85                                        | -                                     | 158,592       |
| Kinship Navigator Program                                                              | --                              | 60.207                          | ZJK85                                        | -                                     | 725,436       |
| Guardianship Assistance Program                                                        | --                              | 60.210                          | ZJK85                                        | -                                     | 77,903        |
| Fatherhood Engagement Specialists                                                      | --                              | 60.211                          | ZJK85                                        | -                                     | 141,013       |
| Early Childhood Court Case Management and Prevention Services                          | --                              | 60.225                          | ZJK85                                        | 1,680                                 | 25,253        |
| State Funded Child Care Subsidy                                                        | --                              | 60.224                          | ZJK85                                        | -                                     | 382,321       |
| <b>Total State of Florida, Department of Children and Families:</b>                    |                                 |                                 |                                              | 1,238,344                             | 6,468,861     |
| <b>Total Expenditures of State Financial Assistance</b>                                |                                 |                                 |                                              | 1,238,344                             | 6,468,861     |
| <b>Total Federal Awards and State Financial Assistance</b>                             |                                 |                                 |                                              | \$ 5,559,286                          | \$ 25,288,469 |

The accompanying notes to the schedule of expenditures of federal awards and state assistance are an integral part of this schedule.

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2024**  
(Continued)

**Note (1): Basis of Accounting**

The Schedule of Expenditures of Federal Awards and State Financial Assistance is prepared on the accrual basis of accounting. None of the Federal awards or State financial assistance expended by the Organization were in the form of noncash assistance, there was no insurance in effect during the year related to Federal awards, nor were there any loans or loan guarantees outstanding at year-end. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**Note (2): Service Provided Contracts**

Only expenses incurred in accordance with the contract terms are reported as expenditures on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

**Note (3): Pass-Through Awards**

Communities Connected for Kids, Inc. receives certain Federal awards from pass-through awards of the State of Florida. The total amount of such pass-through awards is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

**Note (4): De Minimis Indirect Cost Rate Election**

Communities Connected for Kids, Inc. does not elect to use the 10% de minimis indirect cost rate as covered in 200.414, *Indirect (F&A)* costs of the Uniform Guidance.

**Note (5): Matching Funds for Federal Programs**

The following funds were provided by the State of Florida, through the Department of Children and Families as matching funds for the Federal Programs under Contract No. ZJK85 as follows:

| <b>Name of Program</b>                                                                 | <b>ALN Number</b> | <b>Amount</b>               |
|----------------------------------------------------------------------------------------|-------------------|-----------------------------|
| State Administrative Matching Grants for The Supplemental Nutrition Assistance Program | 10.561            | \$ 5,529                    |
| State Department of Children and Families                                              | 90.XXX            | 4,279,960                   |
| Guardianship Assistance                                                                | 93.090            | 160,221                     |
| Promoting Safe and Stable Families                                                     | 93.556            | 10,507                      |
| Temporary Assistance for Needy Families "TANF Cluster"                                 | 93.558            | 1,684,746                   |
| Community Based Family Resource and Support Grants                                     | 93.590            | 14,977                      |
| Chafee Education and Training Vouchers Program (ETV)                                   | 93.599            | 12,802                      |
| Stephanie Tubbs Jones Child Welfare Services Program                                   | 93.645            | 129,151                     |
| Foster Care -Title IV-E                                                                | 93.658            | 4,546,644                   |
| Adoption Assistance                                                                    | 93.659            | 4,714,026                   |
| Chafee Foster Care Independence Program                                                | 93.674            | 41,856                      |
| Medical Assistance Program "Medicaid Cluster"                                          | 93.778            | 396,814                     |
| <b>Total State Funds Awarded for Matching</b>                                          |                   | <u><u>\$ 15,997,233</u></u> |

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors,  
Communities Connected for Kids, Inc.:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Communities Connected for Kids, Inc., which comprise the statement of financial position as of June 30, 2024 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated December 17, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Communities Connected for Kids, Inc. internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Communities Connected for Kids, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Communities Connected for Kids, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Communities Connected for Kids, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James Moore & Co., P.L.

Gainesville, Florida  
December 17, 2024

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND MAJOR STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.650, RULES OF THE AUDITOR GENERAL, STATE OF FLORIDA**

To the Board of Directors,  
Communities Connected for Kids, Inc.:

**Report on Compliance for Each Major Federal Program and Major State Project**

***Opinion on Each Major Federal Program and Major State Project***

We have audited Communities Connected for Kids, Inc. compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and the *Department of Financial Services* State Projects Compliance Supplement that could have a direct and material effect on each of the Organization's major federal programs and major state projects for the year ended June 30, 2024. Communities Connected for Kids, Inc. major federal programs and major state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Communities Connected for Kids, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program and Major State Project***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Communities Connected for Kids, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and major state project. Our audit does not provide a legal determination of Communities Connected for Kids, Inc.'s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Communities Connected for Kids, Inc.'s federal programs and state projects.

### ***Auditors' Responsibility for the Audit Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Communities Connected for Kids, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, Chapter 10.650, Rules of the Auditor General, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Communities Connected for Kids, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, Chapter 10.650, Rules of the Auditor General, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Communities Connected for Kids, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Communities Connected for Kids, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Communities Connected for Kids, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

 James Moore & Co., P.L.

Gainesville, Florida  
December 17, 2024

DRAFT

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS**  
**PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**Section I. Summary of Auditors' Results:**

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

Identification of major programs: ALN 93.658, Foster Care Title IV-E

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

**State Financial Assistance**

Internal control over major projects:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

**COMMUNITIES CONNECTED FOR KIDS, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS**  
**PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**  
(Continued)

**Section I. Summary of Auditors' Results: (Continued)**

Type of auditors' report issued on compliance  
for major projects:

Unmodified

Any audit findings disclosed that are required to  
be reported in accordance with Rules of the  
Auditor General, Chapter 10.650?

☐ Yes ☒ No

Identification of major project:

CSFA 60.074, Out of Home Supports

Dollar threshold used to distinguish between  
Type A and Type B programs:

\$750,000

**Section II. Findings Relating to the Financial Statements Which are Required to be Reported in  
Accordance With *Government Auditing Standards*:**

There are no current year audit findings.

**Section III. Findings and Questioned Costs for Federal Awards:**

There are no current year audit findings.

**Section IV. Findings and Questions Costs for State Financial Assistance:**

There are no current year audit findings.

**Section V. Prior Audit Findings for Federal Awards for the Year Ended June 30, 2023:**

There were no prior year audit findings.

**Section VI. Prior Audit Findings for State Financial Assistance for the Year Ended June 30, 2023:**

There were no prior year audit findings.

**Section VII. Management Letter**

No management letter pursuant to Sections 215.97(9)(f) and 215.97(10)(d), Florida Statutes is  
required since there are no items related to state financial assistance, not already reported in this  
schedule, required to be reported in the management letter.